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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Problems in Reviving Mekong Committee Examined

BK2703015592 Bangkok THE NATION in English 27 Mar 92 p A6

[Article by Kunlachada Chaiphiphat: "Strong Distrust Delays Cooperation on Mekong"]

[Text] Peace in Cambodia has opened up the potential for conflict among China, Burma, Thailand, Laos, Cambodia and Vietnam which share one of the world's longest and largest rivers, the Mekong.

Though the end of the Cambodian conflict warmed up their relations considerably, Thailand and Vietnam, in particular, are now almost at each other's throats over the politics of water use along the river.

Thailand is at the core of the group of upstream users that includes China and Burma. Vietnam leads the downstream group, including Laos and Cambodia, which has different interests altogether.

At the centre of the conflict are two main issues: the readmission of Cambodia to the committee, and Thailand's call for a new set-up that would involve China and Burma.

Thailand has already threatened to leave the committee if these issues are not resolved to its satisfaction, with two options in this case—either going it alone or cooperating only with China and Burma in exploiting the river's resources.

"Three plus one or none," has become the battle cry among Thai officials, implying that if Cambodia joins, it must not mean the end of the Interim Mekong Committee, which was formed in 1978 by Thailand, Laos and Vietnam after Cambodia's departure.

What Thailand wants most is to avoid returning to the original Mekong Committee using the founding documents and subsequent rules of procedure, both of which Thailand sees as working against its interests.

Thailand has also proposed reconvening the original committee but without bringing back the original rules.

In either case, Thailand foresees a time when the original committee would be restructured to include China and Burma.

The Foreign Ministry noted that had it taken part in the negotiation that led to the formation of the Mekong Committee in 1957, the undesirable consequences that are threatening to sink in could have been avoided.

"Had we taken part in formulating a set of regulations on the use of the Mekong, the return of Cambodia would not have created unfortunate difficulties," Deputy Foreign Minister Wichian Watthanakhun said in an interview last week.

To some, however, this seems like a graceful excuse for Thailand simply not foreseeing the consequences of it agreeing to the founding documents and the subsequent rules of procedure, drawn up in 1975.

Thailand only recently realized that Cambodia's readmission would automatically revive the full Mekong Committee. Under this situation, Thailand feels crucial national interests could be threatened, most importantly the implementation of irrigation projects for the arid Northeast—already approved under the Interim Mekong Committee.

This concern prompted Thailand to raise conditions that would not lead to the use of the founding documents and 1975 rules—which Thailand thought bound upstream states to unfair commitments.

Thailand has sought amendments to those documents and preferred to use the rules of procedure of the interim committee, which were more general and did not mention a veto clause.

But as Thailand's position became clear, Hanoi pointed an accusing finger towards Bangkok, charging that it was setting conditions for Cambodia's return. Hanoi has insisted that Cambodia should join the committee in its original form. Under the 1975 rules, Hanoi would have veto rights as a downstream state over projects on the upstream states if they affect the flows in the Mekong Delta, the fertile region in southern Vietnam.

The wrangle over the issue has been dragging on since last September and rose to its peak in February when Thailand, as the rotating chairman of the committee, postponed a crucial meeting of the committee in Chiang Rai and subsequently proposed talks with China and Burma participating on March 15 and 16.

Thailand's move only helped exacerbate Hanoi's fear of the Thai political motivations, and resulted in the absence of Vietnam at the talks. Hanoi, it seemed, felt that Bangkok was trying to assert itself as the "big brother" in the region, and was very wary of being manipulated.

Yet the Thai move carried the veiled threat that Thailand might quit the committee to form an upper-Mekong forum with China and Burma, which Hanoi very much wants to avoid.

In fact, both countries' interests are legitimate. But deep-seeded [as published] mutual mistrust stemming from the Cold War has complicated the matter, with both sides seeing the other's moves as political.

However, Hanoi has apparently adopted a flexible position. It said it would be willing to discuss all concerns raised by Bangkok, including the amendments after the full committee is revived. But Bangkok did not buy it, thinking it was just a shrewd negotiating tactic.

One Thai official admitted that Bangkok still has a hard time trusting Hanoi. As an example to justify the Thai distrust of Vietnam, he cited one example: When North Vietnam negotiated with then-US Secretary of State Henry Kissinger to end the Vietnam War in the 1970s, Hanoi subsequently did not honour the results after the American military withdrawal from South Vietnam.

Last November the Foreign Ministry was dragged into the ring after meetings at a technical level to revive the 37-year-old committee bogged down over the issue of Cambodia's readmission.

The legal aspects, which had never been a contentious issue previously, are now being used by Thailand and Vietnam to make Cambodia's readmission more difficult instead of facilitating the committee's work.

Wichian, a legal expert who led a Thai delegation in various rounds of talks with Laos, Cambodia, and Vietnam over these controversial issues, said that in the past negotiations on Mekong matters were based only on technical cooperation.

"At that time, the Mekong Committee only was motivated by technical reasons to harness the Mekong, without taking into account legal or political aspects," recalled Wichian. Even its official name, he said, the Committee for Coordination of Investigation of the Lower Mekong Basin, sounded "very technical."

Furthermore, he pointed out, when the committee formulated the Principles for Utilization of the Waters of the Lower Mekong Basin in 1975, Thailand also saw the agreement in terms of technical aspects, even though it limited Thailand's sovereignty in using water from the mainstream Mekong.

Based on the principle of equitable and reasonable utilization of water under Thai law, Thailand could no longer accept those documents, which the minister called "obsolete and unfair."

He said the 1975 declaration contained a set of rules which no upstream nations have accepted. "What's even worse is that the declaration bound upstream states to greater commitment than those in the Helsinki rules," he said.

The Mekong Committee was founded in 1957 under the initiation of the United Nations Economic Commission for Asia and the Pacific (ESCAP), then called the United Nations Economic Commission for Asia and the Far East (ECAFE).

The minister said a breakaway would be an undesirable outcome for everyone, including Vietnam, and that Thailand does not want to see it happen. "It is against the (current) spirit of regional cooperation," he said.

He added that Thailand still sees the merit of cooperation under the framework of the committee, though such cooperation would now benefit the three downstream countries more than Thailand. Thailand has become more advanced in terms of irrigation systems and hydropower production, while those three that were ravaged by the Indochinese wars lag behind.

However, the minister added that "if joining the committee means the loss [of] our sovereignty, we prefer to go it alone."

Once outside the committee's framework, Thailand would be free to use water from the Mekong's mainstream as China and Burma currently are without considering downstream users.

Thailand contributes 23 per cent of the flow to the river, according to one technical investigation, while Vietnam contributes essentially none as it lies where the river fans out into the China Sea. Laos is the biggest contributor. China and Burma contribute respectively 19 and 20 per cent of the flow.

"Why should legal and technical questions prevent us from using water from the mainstream?" Wichian asked.

He pointed out that Thailand can only yield as far as upstream countries can, referring to China.

However, he said he was optimistic that there would be some solution to the current deadlock if all sides recognize the merit of mutual accommodation.

Apparently Laos and Cambodia, whose national development relies much on the Mekong, are reluctant to accept the Thai proposals.

Both still prefer the revival of the full Mekong Committee first before jumping into the wholesale restructuring of the committee.

For China and Burma, which have sought every possible means to integrate themselves into the mainstream of Southeast Asia, saying "yes" without commitment to the Thai proposal would be an easy thing to do.

Thailand has called for another informal meeting before the end of April to hear comments on its proposal, already tabled to all six Mekong states.

"If there is an undesirable outcome, Thailand could only pick bad choices for itself," concluded one official who has long been involved in Mekong affairs.

Japan

Tokyo To Mediate U.S.-SRV MIA/POW Issue

BK2703005992 Bangkok BANGKOK POST in English 27 Mar 92 p 5

[Text] Japan will act as a mediator between the United States and Vietnam in resolving the MIA/POW issue, the last thorny issue for normalisation of relations between the two former enemies.

Speaking to the BANGKOK POST on his return from Cambodia and Vietnam to assess the needs of these two countries, Kojit Kakizawa, parliamentary vice-minister for foreign affairs, said Vietnam has always denied there are any U.S. soldiers still alive from the Vietnam War but the U.S. still holds out hopes.

"The Vietnamese government has hidden its proof and documents, therefore mistrust became very big between the two countries."

He said he recommended Vietnam to implement the five-point agreement reached during the recent visit to Hanoi by U.S. Assistant Secretary of State for Asia and the Pacific Richard Solomon.

"Both Prime Minister Vo Van Kiet and Vice-Foreign Minister Trang Quang Co promised Vietnam will implement the agreement and do the utmost to resolve the issue.

"I will transmit this good message to U.S. leaders. At the same time, we will say to the U.S. leaders that they should recognise and appreciate this sincere attitude of Vietnam and move faster on the road towards normalisation and lifting economic sanctions as soon as possible," he said.

It is the first time that Japan has offered to help resolve this thorny issue. Mr Kakizawa strongly denied the resumption of Japanese aid to Vietnam depends on U.S.-Vietnam normalisation, but the resolution of MIA/POW issue has an effect to "some extent."

"I clearly explained that Japan will not link its ODA (Official Development Assistance) to Vietnam with U.S. presidential elections, but MIA/POW problem is a little more delicate.

"If Vietnam implements its promise on MIA/POWs, then we can accelerate our efforts to resume economic assistance, but (the resumption) is not linked to the U.S. presidential elections.

"But the MIA/POW affairs will affect it to some extent."

Asked what Japan considers to be a satisfactory resolution to the MIA/POW issue for assistance to resume, he said:

"I can't say which point Japan will consider appropriate."

It was earlier reported that one condition for the resumption of Japan's ODA to Vietnam was the repayment of debts by Vietnam, but Hanoi declined to comment on debts incurred by the government of what was South Vietnam.

Mr Kakizawa would not comment on the issue or the figure of debt.

Asked how much money Japan would give to Vietnam when it resumes its official assistance, Mr Kakizawa said it is too premature to say.

"It is a significant amount, it's not comparable with French ODA or other ODA of developed countries. The difference will be big; that is why Vietnam is waiting for Japanese assistance."

He said there is no pressure from Japanese businessmen for the resumption of ODA—Japanese businessmen are in principle very cautious and are undertaking largescale projects which have not yet fully started.

"Perhaps they are waiting for ODA. It is easier because the Japanese government will pay, but with their own investment they have to take their own risk.

"Also Japanese companies are very cautious because of the lack of infrastructure."

Mr Kakizawa, who was accompanied by Kazuyoshi Urabe, deputy director-general of the Asian Affairs Bureau of the Foreign Ministry, met Permanent Secretary for Foreign Affairs Witthaya Wetchachiwa yesterday afternoon.

He said both parties agreed to have closer consultations and exchange of information on the reconstruction of the Indochinese countries, including joint construction projects.

Mr Kakizawa and his delegation leave for Tokyo today.

SDP To Host British, U.S. Diplomat Observers

OW2603143192 Tokyo KYODO in English 1237 GMT 26 Mar 92

[Text] Tokyo, March 26 KYODO—The Social Democratic Party (SDP) said Thursday it will take in four young diplomats from the U.S. State Department and the British Foreign Office as observers to study the party's operations.

The four are all specialists in Japanese affairs.

The observers will familiarize themselves with Japan's No. 1 opposition party at the request of the U.S. and British governments which have previously dispatched diplomats to the governing Liberal Democratic Party and the private sector.

A member of the SDP secretariat said the request from the two governments shows they can no longer ignore moves within the SDP to fashion itself as a viable alternative government in the future.

The four will observe the operations of the party's central executive committee, Diet administration committee and shadow cabinet and hear lectures from the heads of each of the party's bureaus.

U.S. Advance Knowledge Alleged in Senkaku Issue

OW2703093092 Tokyo KYODO in English 0914 GMT 27 Mar 92

[Text] Beijing, March 27 KYODO—The U.S. Government had advance knowledge that China was renewing its claim to the Senkaku Islands in the East China Sea but did not relay it to Tokyo, Western diplomatic sources said Friday.

China passed a law on territorial waters February 25 stipulating the Senkaku Islands, known as the Diaoyutai Archipelago in Chinese, were its indigenous territory upon approval from the Standing Committee of the National People's Congress.

The law gives the military the right to expel by force foreign ships that violate territorial waters, although the islands are for practical purposes under Japanese control.

The sources said the U.S. Embassy in Beijing obtained an internal document disclosing China's intention to declare sovereignty over the uninhabited islands. The document was circulated about a week before the Standing Committee meeting.

The Japanese Embassy in Beijing routinely exchanges information with the U.S. Embassy at all levels but received no warning of the new law, embassy officials said.

Although the Japan-U.S. Security Treaty does not oblige the countries to exchange information on mutual security, including territorial issues, the two allies have kept in close touch on such matters.

The U.S. decision not to inform Japan of China's move is thought to suggest a subtle shift in its policy toward Japan, analysts said.

The U.S. Embassy, however, denied it obtained the advance information on the law.

If the U.S. Embassy obtained the documents through official channels, it could mean China was signaling Washington about its policy toward Tokyo, the sources said.

Another internal document recently obtained by KYODO News Service shows China is trying to take advantage of the widening differences between Japan and the U.S. because of growing concern that Japan will become a political and military giant, in addition to its economic superpower.

Ministry Denies Report on Loan Package to China

OW2703103592 Tokyo KYODO in English 1026 GMT 27 Mar 92

[Text] Tokyo, March 27 KYODO—Japan's Foreign Ministry categorically denied a report Friday that Japan has proposed offering China a huge loan package in an apparent move to avoid Chinese claims for war reparations.

A senior Foreign Ministry official said the report is "completely groundless."

The official, who spoke on condition of anonymity, was referring to a report in the Friday edition of Hong Kong's SOUTH CHINA MORNING POST saying the Japanese aid in question would total 200 billion dollars in interest-free loans.

"This report has no foundation in reality," said the official, who denied that Japan is considering any loans to China linked to the issue of war reparations.

The report quoted a well-informed Chinese source as saying the Japanese Foreign Ministry suggested in a letter sent to several Chinese officials that Tokyo would offer the loans in installments over the next 10 to 20 years.

The English-language daily's source reportedly said the package is separate from an 810 billion yen loan package now being extended to China, and that Japan wants, in return for the new loans, assurances that China will not broach the issue of war damages.

The Foreign Ministry official said that in the 1972 Japan-China joint communique establishing diplomatic ties and the 1978 peace and friendship treaty, China dropped its demands for reparations.

He said Japan thus considers the reparations issue as settled.

Chinese Foreign Minister Qian Qichen on Monday reaffirmed that China's position on the issue is unchanged, he said.

IAEA Urged To Check Russian Nuclear Plants

OW2703053092 Tokyo KYODO in English 0508 GMT 27 Mar 92

[Text] Tokyo, March 27 - Prime Minister Kiichi Miyazawa will dispatch a government survey team to a Russian nuclear reactor where a radiation leak occurred to draw up measures for Japanese assistance, government officials said Friday.

Speaking at a cabinet meeting, Miyazawa also asked ministers to facilitate technical training programs for Russian nuclear engineers in Japan in a bid to ensure the safety of Russia's nuclear power industry.

Miyazawa sought to press the International Atomic Energy Agency (IAEA) to hasten safety checks on old nuclear plants in Russia, the officials said.

The IAEA in 1991 began a program of safety evaluations of nuclear power stations in the former Soviet Union and Eastern Europe.

Miyazawa said at the cabinet session he was relieved to hear the radiation leak Tuesday at the plant near St. Petersburg was only small. He said the Russian Government's report and countermeasures to the mishap were appropriate.

International Trade and Industry Minister Kozo Watanabe said he is considering moving forward the dispatch of a Japanese mission on Russian nuclear power plant safety, originally scheduled to be sent in May, the officials said.

Foreign Minister Michio Watanabe said it is necessary to urgently conduct an on-the-spot survey on nuclear plants in the former Soviet Union, they said.

Science and Technology Agency Director General Kanzo Tanigawa disclosed Thursday he will send three Japanese nuclear experts separately early next week to gather information on the accident.

The government decided late in 1991 to contribute 75 million yen from the Science and Technology Agency and 36 million yen from the Ministry of International Trade and Industry toward a program to ensure the safety at nuclear power plants in the former Soviet Union.

Russia Seeks Steel Pipes From Japanese Mills

OW2603142992 Tokyo KYODO in English 1234 GMT 26 Mar 92

[Text] Tokyo, March 26 KYODO—Four major Japanese steel pipe production companies, led by Nippon Steel Corp., said Thursday they have received an inquiry from a Russian natural gas corporation for 500,000 tons of large-diameter steel pipe to be used in a gas pipeline project.

The four mills said that details of the pipes sought, known as line pipes, were not available immediately. They, however, estimated the value of the pipes at 500 million U.S. dollars.

The four are, in addition to Nippon Steel, NKK Corp., Sumitomo Metal Industries, Ltd. and Kawasaki Steel Corp.

The same four companies have been negotiating since last fall with a Russian oil company over the price and other terms for about 600,000 tons of seamless steel pipe for use in oil wells.

The four intend to negotiate with the Russian gas corporation on supplying pipes to aid Russia in its efforts to promote gas and oil exports to earn foreign currency, the officials said.

Talks will get under way after the four mills together clinch a deal on the pipes for the oil wells, the officials said.

Tokyo To Host Meeting for Rebuilding Cambodia

OW2703090192 Tokyo KYODO in English 0849 GMT 27 Mar 92

[Text] Tokyo, March 27 KYODO—Japan will host a preparatory meeting next Monday and Tuesday for a ministerial conference on the reconstruction of Cambodia planned for late June in Tokyo, the Foreign Ministry announced Friday.

The preparatory meeting in Tokyo will be attended by working-level representatives of the 19 countries that participated in the Paris international conference on Cambodia. Also attending will be 13 other major donor countries and eight international organizations.

The ministerial conference was conceived in the context of a declaration in Paris at the time of the peace accords last year on the rehabilitation and reconstruction of Cambodia.

One Foreign Ministry official, speaking on condition of anonymity, said the ministerial conference is envisaged by Japan to have two basic objectives—political and economic.

Politically, he said, it should aim to confirm that participating governments will provide the necessary and timely support for the operations of the United Nations Transitional Authority in Cambodia (UNTAC), which estimates it needs some 1.9 billion dollars over 16 months.

The conference should also aim to provide "political assurance" to the Cambodian people and the international community that necessary economic development assistance will be provided "so long as the peace agreements are implemented smoothly with the cooperation of all the parties in Cambodia."

"We consider that such political assurance will give incentive to the Cambodian parties to faithfully implement the agreements," he said.

The official said the economic objective of the conference should be to address the three phases of refugee repatriation, economic "rehabilitation" before the holding of elections next year, and economic "reconstruction" after the elections.

At the conference, the official said, some countries and international organizations are expected to reveal their assessments of Cambodia's development needs.

He said the meeting will also consider the establishment of a mechanism by which the international community could coordinate their assistance efforts.

The official said another topic for discussion could be recommendations on the economic policy to be adopted by Cambodia after the elections.

SDF Role in Cambodian Peacekeeping Viewed

OW2603153292 Tokyo KYODO in English 1311 GMT 26 Mar 92

[Text] Tokyo, March 26 KYODO—Japanese Ambassador to Cambodia Yukio Imagawa said Thursday Japan should send troops to Cambodia to help with the UN peacekeeping mission, mainly in the logistic support field.

The Cambodians respect Japan as a big brother in Asia and expect Japan's Self-Defense Forces (SDF) to participate in UN peacekeeping operations instead of troops from other nations, Imagawa said in an interview with KYODO news service.

It is impossible to monitor a truce without experience, so Japan's peacekeeping efforts could be limited to logistical support, such as transportation, medical care and sanitation needs, Imagawa said about Japanese cooperation in the UN mission to oversee the end of 13 years of war.

It is important to take part in the UN operations with a Japanese flag, he said.

Imagawa, who is now in Japan, suggested that a Japanese peacekeeping team join the UN mission in September or later, after the disarmament of warring factions in Cambodia is completed.

Imagawa categorically denied a rumor that Cambodian Premier Hun Sen called for the dispatch of SDF staff to Cambodia after a request from Japan.

He said Hun Sen is familiar with Japan's opposition parties and is not taking action at the request of a foreign country.

During his recent visit to Japan last weekend, Hun Sen asked Prime Minister Kiichi Miyazawa and opposition leaders to send SDF personnel to cooperate with the UN mission in Cambodia.

Miyazawa, Watanabe Agree on Peacekeeping Bill

OW2703135792 Tokyo KYODO in English 1345 GMT 27 Mar 92

[Text] Tokyo, March 27 KYODO—Prime Minister Kiichi Miyazawa and Foreign Minister Michio Watanabe agreed Friday to push to get the Diet to quickly pass a bill to allow Japanese troops to join UN peacekeeping operations, government sources said.

In a meeting at the prime minister's official residence, Miyazawa and Watanabe discussed how to swiftly win approval of the bill in the House of Councillors so Japan's Self-Defense Forces can join peacekeeping activities in Cambodia under the UN Transitional Authority in Cambodia, the sources said. Chief Cabinet Secretary Koichi Kato also joined the session.

The two men agreed to seek the help of opposition parties in passing the bill through the opposition-dominated upper house after the Diet passes the 72.2 trillion yen budget for fiscal 1992. Both the budget and the peacekeeping operations bill are currently pending in the second chamber.

The budget, already approved by the more powerful House of Representatives, will become law automatically by April 12 under constitutional provisions.

The Peacekeeping Operations Bill, which passed through the lower house late last year, has been pending in the upper house since the previous session of the Diet.

After the 20-minute meeting with Watanabe, Miyazawa told reporters that most of the session covered the overall political schedule, including the peacekeeping operations bill.

The largest oppostion party, the Social Democratic Party, has strongly opposed the bill, saying it runs counter to Japan's Constitution which bans the country from using or threatening to use military force to settle international disputes.

Mongolian Prime Minister Invited To Visit

OW2703102492 Tokyo KYODO in English 1003 GMT 27 Mar 92

[Text] Tokyo, March 27 KYODO—Prime Minister Kiichi Miyazawa on Friday invited Mongolian Prime Minister Dashiyn Byambasuren to visit Japan in late May to attend an international conference on aid to Mongolia to be hosted by Japan, Foreign Ministry officials said.

Miyazawa extended the invitation through Mongolian External Affairs Minister Tserenpiliyn Gombosuren during their meeting at the prime minister's official residence.

The Mongolian foreign minister, who is in Japan on a six-day official visit that began Monday, conveyed a message from Byambasuren saying, "We are thankful for every kind of aid from Japan that helps us transform Mongolia into a democracy and market economy."

"We deeply appreciate Japan's hosting of the aid conference in late May," Byambasuren also said in the message.

The conference, being cosponsored by the World Bank and Japan, is expected to pledge more than the 50 million dollars in loans and grants offered at a similar conference held in Tokyo last September, the officials said.

Gombosuren met with International Trade and Industry Minister Kozo Watanabe on Wednesday and Foreign Minister Michio Watanabe on Thursday.

Israel Reportedly Seeking $3 Billion in Loans

OW2603234992 Tokyo KYODO in English 2305 GMT 26 Mar 92

[Text] Tokyo, March 27 KYODO—The Israeli Government has asked major Japanese commercial banks to extend an estimated 3 billion dollars in loans, the NIHON KEIZAI SHIMBUN reported Friday in a dispatch from Washington.

The economic daily quoted an Israeli diplomatic source in the United States as saying negotiations are underway with Japanese banks, including Sumitomo Bank, although details have yet to be fixed.

The Israeli request follows the U.S. Administration's recent refusal to guarantee 10 billion dollars worth of loans aimed at financing construction of houses for immigrants from the former Soviet Union, the paper said.

The Japanese banks involved remain cautious because the extension of such loans could affect Japan's policy toward the Middle East, it said.

Watanabe Meets Croatian 'Foreign Minister'

OW2703125092 Tokyo KYODO in English 1224 GMT 27 Mar 92

[Text] Tokyo, March 27 KYODO—Croatia's Foreign Minister Zvonimir Separovic called Friday for Japan to establish diplomatic relations with his former Yugoslav republic as early as possible, Foreign Ministry officials said.

The officials said Separovic, who arrived in Tokyo on Friday for a four-day visit, made his appeal during separate meetings with Foreign Minister Michio Watanabe and Vice Foreign Minister Hisashi Owada.

Separovic was quoted as saying he welcomed Japan's March 17 decision to extend diplomatic recognition to Croatia.

He also said he is optimistic that Japan's decision will encourage other Asian countries and the United States to follow suit, the officials said.

Officials said Watanabe and Owada explained to the Croatian foreign minister that the establishment of diplomatic ties is conditional on Croatia making efforts to peacefully resolve its conflict with Serbia.

They said Croatia must also adhere to free market economic principles, promote democratization, repay its fair share of Yugoslavia's external debt, and honor relevant international obligations entered into by Yugoslavia.

Separovic was told that Japan especially wants to see Croatia make a commitment to respect the rights of minority Serbs within its borders.

Officials noted that doubts about that commitment among some European Community (EC) countries have delayed establishing diplomatic ties with Croatia. So far, the only three EC nations to establish relations are Germany, Italy, and Spain.

Officials said Separovic told Watanabe that Croatia is able to meet Japan's conditions, including that concerning minority rights.

He said Croatia intends to set up an embassy in Japan, which would cover other countries in the region.

Croatia, once it enters the United Nations, is prepared to support Japan's bid for a permanent seat on the UN Security Council, since Japan's present UN status is not commensurate with its actual world stature, Separovic said.

Officials said Watanabe called on Croatia to honor the ceasefire with Serbia and to cooperate with the hundreds of UN officials and specialists now in Croatia, as well as some 14,000 UN peacekeeping troops due to arrive there in mid-April.

The troops are being sent to enforce a shaky ceasefire, as well as set up "protected areas" in three regions of Croatia with large Serbian populations. They are also supposed to facilitate the return of about 800,000 refugees uprooted by eight months of war.

Officials said Separovic, in a lengthy session of talks, told Owada that Yugoslavia should be dissolved and a new country should be formed to take its place. Out of Yugoslavia's six previous constituent republics, only Serbia and Montenegro now exist.

Separovic said Serbia keeps chemical weapons in Croatian territory and has exported some of them to Iraq. Officials said it was not clear as to when the alleged exports took place.

Toyota To Open Volkswagen-Audi Sales Outlets

OW2603075092 Tokyo KYODO in English 0731 GMT 26 Mar 92

[Text] Tokyo, March 26 KYODO—Toyota Motor Corp. will begin selling Volkswagen and Audi vehicles through its new "Duo" car dealerships in Japan in April, company officials said Thursday.

Toyota hopes that "Duo" will increase its variety of cars for customers and contribute to the expansion of imported vehicle sales nationwide, the officials said.

The Japanese automaker will open two sales offices, in Nagoya and Yokohama, and one outlet in Kyoto, they said.

Toyota will expand the number of Duo dealerships to 51 by early 1993, the officials said.

The dealership network is a result of an agreement signed last July by Toyota, Germany's Volkswagenwerk AG, and its Japanese subsidiary, Volkswagen Audi Nippon K.K.

The agreement designates Toyota dealers to distribute, market, and sell Volkswagen and Audi vehicles in Japan.

Volkswagen Audi Nippon already sells the vehicles through its own 20 dealerships and through Yanase Co., a Volkswagen spokesman said.

The Japanese subsidiary projects Audi and Volkswagen car sales to reach a total of 55,000 vehicles in 1992 compared to 43,000 last year, he said.

Firms Win Turkish Order for Steel Equipment

OW2603120592 Tokyo KYODO in English 1142 GMT 26 Mar 92

[Text] Tokyo, March 26 KYODO—A consortium, including NKK Corp. and Marubeni Corp., has contracted to furnish a continuous steel sheet annealing line to Turkey's Eregli Iron and Steel Works Inc., the consortium announced Thursday.

The line, which will cost about 18 billion yen, forms part of a series of equipment for production of cold-rolled steel sheets used as material for automobiles and home electric appliances, NKK officials said.

The line with an annual capacity of 900,000 tons is the first to be used in a Turkish steel enterprise.

Eregli decided to install the line under its equipment modernization project.

The new facility, capable of making steel sheets less brittle, is due to go into operation in 1995.

Watanabe Discusses Aid With Angolan Counterpart

OW2603115392 Tokyo KYODO in English 1116 GMT 26 Mar 92

[Text] Tokyo, March 26 KYODO—Foreign Minister Michio Watanabe promised Thursday to send a mission to Angola in April to look into the prospects for Japanese aid to the country, especially food aid, Foreign Ministry officials said.

Officials said Watanabe made the remarks in a meeting with Angolan Foreign Minister Pedro de Castro Van-Dunem "Loy" who arrived in Japan on Tuesday for a four-day visit.

Van-Dunem was quoted as saying that Angola especially wants Japan to extend technical assistance to his country.

Officials said Van-Dunem explained that multiparty elections will be held in Angola in the autumn as is noted in a peace pact signed last May between the communist government and U.S.-backed UNITA rebels.

The peace accord, overseen by the United States, Russia, and Portugal, ended 16 years of fighting in which betwen 250,000 and 500,000 people were killed.

Watanabe told Van-Dunem that Japan wants to deepen its relations with Angola as the process of democratization there progresses.

Australian Firms To Help Build Zinc Refinery

OW2603151792 Tokyo KYODO in English 1343 GMT 26 Mar 92

[Text] Tokyo, March 26 KYODO—Three major Japanese nonferrous metal refiners, including Nippon Mining Co., and the Australian Nonferrous Metal Ore Mining Firm, Mim Holdings Ltd., Thursday announced a basic agreement to build a big zinc and lead refinery at Hachinohe in Aomori Prefecture, northern Japan.

The planned refinery, capable of producing 120,000 tons of zinc ingots and 60,000 tons of lead ingots a year, will be the second largest zinc and lead refinery in Japan.

Under present plans, construction of the 50 billion yen refinery will get under way at the end of the year and it will go into operation in the fall of 1994.

The zinc refinery will be the first to be built in Japan in 20 years. In 1972, the last refinery was constructed in the suburbs of Akita city, northeastern Japan.

The Japanese partners are, in addition to Nippon Mining, Mitsui Mining and Smelting Co. and Mitsubishi Materials Corp.

The refinery will be managed by a joint company created by the four partners.

The company, Med Pacific Zinc Corp., will be capitalized at 5 billion yen, of which 48.5 percent will be provided by Nippon Mining, 30 percent by a Japanese subsidiary of Mim, 18.5 percent by Mitsui Mining and Smelting and 3 percent by Mitsubishi Materials.

LDP, Opposition Make Little Headway on Reform

OW2703141992 Tokyo KYODO in English 1352 GMT 27 Mar 92

[Text] Tokyo, March 27 KYODO—Leaders of Japan's major political parties made little headway Friday in discussions on how to promote political reforms following a spate of money scandals which implicated a number of politicians in both the ruling and opposition camps, political sources said.

The secretaries general of the governing Liberal Democratic Party (LDP) and four opposition parties launched discussions on political reforms in accordance with an earlier commitment but ended the day's talks with only an agreement to meet again April 1.

The inter-party consultations were convened amid mounting popular calls for political reforms following a cash-for-favors scandal which involved Kyowa Co., a defunct steel-frame maker, and a massive loan scandal involving Tokyo Sagawa Kyubin Co., a major trucking firm.

In the Kyowa scandal, one of Prime Minister Kiichi Miyazawa's political allies, former state minister Fumio Abe, has been charged for allegedly accepting 90 million yen in bribes.

Mass media reports have revealed that a number of politicians had received large amounts of money from Tokyo Sagawa Kyubin, although none has so far been indicted in connection with the case.

At Friday's meeting, LDP Secretary General Tamisuke Watanuki proposed the drafting of a succession of political reform bills. All opposition parties except the Japanese Communist Party accepted the LDP proposal in principle, political sources said.

However, the parties failed to agree on where to put the priority—anticorruption measures, strengthening political ethics, subsidies to political parties, or revision of the election system, the sources said.

Representatives at the meeting took the opportunity to present their party's basic views on political reform.

Sadao Yamahana, secretary general of the Social Democratic Party, argued for putting the emphasis on completing a legal system to prevent political corruption.

The No. 1 opposition party also called for setting up a special committee on political reform in both the House of Representatives and House of Councillors, and to hold talks among party heads, the sources said.

Komeito and the Japanese Communist Party urged the tightening of controls over political funds, while the Democratic Socialist Party also called for an emphasis on anticorruption measures.

An agreement to hold inter-party consultations on reform was reached last October when the House of Representatives killed a set of three political reform bills proposed by the cabinet of then Prime Minister Toshiki Kaifu.

Kaifu's package called, among other things, for a system of single-seat constituencies for general elections to the House of Representatives.

The failure of the bills led Kaifu to give up his bid for reelection as LDP president, a post which carries with it the prime ministership.

Kaifu's successor, Prime Minister Kiichi Miyazawa, was at first slow to pursue the political reform issue.

However, he last month expressed his resolve to move on reform in an apparent effort to regain waning public support for his cabinet.

Police Plan To Strengthen Antiterrorism Efforts

OW2603142792 Tokyo KYODO in English 1228 GMT 26 Mar 92

[Text] Tokyo, March 26 KYODO—Police will strengthen its efforts to protect key figures from rightist terrorist attacks, the National Police Agency (NPA) said Thursday.

The decision followed last week's attempted assassination of Liberal Democratic Party (LDP) Vice President Shin Kanemaru.

Last Friday, Kanemaru barely escaped an assassin's bullets just after finishing a speech at a public hall in Ashikaga, Tochigi Prefecture.

The assailant was arrested on the spot and identified as Hiroshi Watanabe, 24, a member of the rightist group Yukoku Seiwa-kai, police said.

The NPA called in senior security police officers in 17 prefectures Thursday and instructed them to beef up measures against armed terrorists.

NPA head Ryoichi Suzuki told the session that rightists have increased their access to guns through exchanges with underworld syndicates.

The NPA chief also instructed the participating officers to increase their shooting practice.

Meanwhile, the Tokyo Metropolitan Police Department on Thursday conducted a live shooting practice for security officers as part of efforts to prevent acts of terrorism involving guns.

LDP, Mieno Debate Over Economy, Money Supply

OW2703053192 Tokyo KYODO in English 0502 GMT 27 Mar 92

[Text] Tokyo, March 27 KYODO—Senior members of the ruling Liberal Democratic Party (LDP) had a heated debate Friday over the sluggish economy with Bank of Japan Governor Yasushi Mieno without narrowing the gulf between their views, government sources said Friday.

The debate occurred in a meeting of cabinet ministers concerned with economic affairs on a monthly economic report, they said.

Junjiro Karasawa, chairman of the LDP's Research Commission on Economics and Commodity Prices, asked Mieno whether the lingering stock slump is a main cause of the economic slowdown.

Karasawa said the economy has lost steam as corporations have to cut capital investment, amid difficulties in raising funds through issuing new stocks, according to the sources.

Mieno disagreed, saying he does not believe the stock slump has had such a strong efffect.

Referring to the recent low level of Japan's money supply, Michio Ochi, chairman of the LDP's Investigation Committee for the Finance and Banking Systems, asked Mieno whether or not the financial sector is tightening its lendings.

Mieno replied saying fund demands among corporations have declined.

"If many financiers are really tightening their lending, it would have raised interest rates. But I have not detected such things," Mieno was quoted as saying.

Diet Debate Forces Adoption of Stopgap Budget

OW2703031892 Tokyo KYODO in English 0055 GMT 27 Mar 92

[Text] Tokyo, March 27 KYODO—The cabinet of Prime Minister Kiichi Miyazawa on Friday adopted a 5.52 trillion yen provisional budget covering the first 11 days of fiscal 1992, which begins on April 1.

The stopgap budget, the sixth in as many years, is necessitated by a delay in Diet debate on the 72.2 trillion yen fiscal 1992 budget due mainly to the opposition's questioning over alleged bribery scandals that have involved politicians since early December.

The stopgap budget, which is roughly the same as the 5.42 trillion yen provisional budget for fiscal 1991, does not contain any spending for measures aimed at pepping up the faltering economy as the budget law does not allow the government to implement policy measures in a provisional budget.

The full fiscal 1992 budget, bearing several pump-priming measures, cleared the House of Representatives earlier this month, but has not gotten through the House of Councillors yet.

Under the Constitution, a budget becomes law 30 days after passage in the lower house even if the upper house rejects it.

Miyazawa Hints at Fall Supplementary Budget

OW2703123192 Tokyo KYODO in English 1207 GMT 27 Mar 92

[Text] Tokyo, March 27 KYODO—Prime Minister Kiichi Miyazawa indicated Friday the government may have to draft a supplementary budget in the fall to prop up the faltering Japanese economy, political sources said.

Miyazawa dropped the hint during an hourlong meeting over lunch with Toshio Komoto, head of the No. 5 faction in the governing Liberal Democratic Party (LDP), the sources said. Former Prime Minister Toshiki Kaifu belongs to Komoto's faction.

It is rare for a prime minister to refer to a supplementary budget before the Diet passes a full budget.

Earlier in the day, the cabinet submitted to the Diet an 11-day stopgap budget because the Diet is not going to be able to pass the 72.2 trillion yen budget for fiscal 1992 by the end of the current fiscal year, March 31.

The provisional budget for April 1-11 will be passed by the Diet possibly Tuesday, said the sources at the ruling party.

In the meeting with Komoto, Miyazawa said the government is prepared to consider drafting a supplementary budget to cover the expected decrease in public works projects this fall, the sources said.

Starting public works projects for fiscal 1992 in the first half of the year is a key part of the pump-priming measures to be announced Tuesday.

LDP Secretary General Tamisuke Watanuki is one of the senior party officials who have called for a supplementary budget for the second half of the fiscal year when public works projects will decrease.

Komoto pointed to the need to adopt effective financial policies to stimulate the Japanese economy and renewed his call to lower the official discount rate by more than 0.5 percentage point from the present 4.5 percent per annum.

The Bank of Japan is expected to cut the key lending rate by 0.5 percentage point soon, the LDP sources said.

Miyazawa told Komoto the government's measures to stimulate business will include financial policies, they said.

Komoto urged Miyazawa to promote political reforms, saying there is a need to establish greater political ethics, prevent political corruption, and tighten controls on political funds.

He called on Miyazawa to continue his political reform scheme and to correct the disparity in the value of votes between densely populated and underpopulated constituencies, the sources said.

Last October, Komoto's disciple, Kaifu, abandoned his bid for reelection as LDP president after the Diet killed three political reform bills, which among other things called for a single-seat constituency for the House of Representatives.

The prime minister told Komoto the disparity in vote value is a matter concerning constitutionality, rather than political reform.

Miyazawa also expressed strong expectations that the new dialogue between the LDP and the opposition on political ethics will soon open the way for political reforms, the sources said.

Fukui Says Economy in Serious Adjustment Phase

OW2603093892 Tokyo KYODO in English 0907 GMT 26 Mar 92

[Text] Tokyo, March 26 KYODO—Japan's economy is now undergoing "a serious adjustment process" marked by corporate moves to slash inventories, a senior official of the Bank of Japan said Thursday.

Toshihiko Fukui, the central bank's executive director, speaking before the House of Councillors Finance Committee, did not refer to a specific time for the implementation of a widely expected cut in the central bank's official discount rate, however.

Fukui said the central bank understands the severity surrounding the economy and is carefully watching economic activity as a whole to make an accurate decision on monetary policy.

The central bank has lowered its official discount rate three times since last July, bringing it to the current level of 4.5 percent per annum.

The discount rate is the fee the central bank charges on its loans to commercial banks.

Overdue Debt Swells After Bubble Economy Crash

OW2603141792 Tokyo KYODO in English 1248 GMT 26 Mar 92

[Text] Tokyo, March 26 KYODO—The amount of debt that has been overdue for more than a month has ballooned in the wake of the collapse of the so-called "bubble" economy, according to a survey released Thursday by the Ministry of Finance.

According to the ministry's findings, some 60.3 percent of the nonbank financial institutions surveyed said that more than 10 percent of their outstanding loans are in arrears.

Some 62.0 percent of the nonbank institutions polled said that their debt in arrears in 1991 shot up three-fold over the previous year, the survey showed.

The latest findings give further evidence to the belief that the financial situation at nonbank financial institutions is deteriorating fast, industry analysts said.

The survey was conducted on 300 leading nonbank financial institutions, including leasing and consumer credit companies.

The MOF sent questionnaires to the companies in late December.

Some 64.9 percent of the limit tended by nonbank institutions were secured by real estate, the survey said.

Approximately 37.8 percent of the outstanding balance of loans by nonbank institutions were channeled to the real estate industry, it said.

Only 10.2 percent of the outstanding balance of the loans of commercial banks went to the real estate industry, it said.

EPA Says Economy Still in Adjustment Process

OW2703004792 Tokyo KYODO in English 0018 GMT 27 Mar 92

[Text] Tokyo, March 27 KYODO—Japan's economy is still in "an adjustment process" toward noninflationary and sustainable growth, the government said Friday in a report reflecting a lingering economic slowdown.

In its monthly economic report, the Economic Planning Agency (EPA) said business sentiment that the economy is slowing has been spreading as growth in personal spending as well as corporate investment in plant and equipment is sluggish.

The report used the phrase "personal spending growth is slowing" for the first time in years while dropping the word "firm," which had been used for a long time to describe the growth of domestic demand such as personal spending and corporate capital spending.

Personal spending and investment in plant and equipment have served as the main dynamos of the most recent economic boom.

An agency official said the deletion of the word "firm" reflected data on gross national product for the final quarter of 1991, which contracted at an annualized 0.2 percent, the worst performance since its 0.1 percent decline in the April-June period of 1989.

On corporate activity, the report said inventory adjustments keep restraining industrial production as inventories by and large have been on the rise in major industries, a move necessitated by slack demand that has forced companies to cut output until they see inventories go down.

The completion of such adjustments are viewed as a key to an economic recovery as it could set the stage for companies to increase production.

The latest report came after the agency dropped the word "expansion" in the February report to describe the economy for the first time since December 1987 following the start of the latest boom in December 1986.

Asked about the meaning of "an adjustment process," the agency official said it is a process in which the economy is moving toward "a higher point" from "a lower point," suggesting the economy is failing to pull out of its slowdown.

The EPA has never used the word "recession" or "contraction" in describing the state of the economy, even in times of serious economic downturns in the past.

Regarding the latest economic boom, the agency had voiced relative optimism about the economy until last month, although many private economists have said the expansion came to a halt last autumn.

Hata on Impact of Falling Real Estate Prices

OW2703040192 Tokyo KYODO in English 0220 GMT 27 Mar 92

[Text] Tokyo, March 27 KYODO—The upsurge of nonperforming loans extended by nonbank financial institutions will not have a major, immediate impact on their management, Finance Minister Tsutomu Hata said Friday.

Speaking at a regular news conference after the day's cabinet meeting, he said last year's sharp increase in such loans stemmed largely from the steep fall in land prices, which led to a shortage of collateral in real estate-backed loans.

The Ministry of Finance announced Thursday that about 60 percent of the 300 largest nonbank lenders saw their uncollectible loans more than triple in 1991.

"Nonbank lenders need to write off nonperforming loans over the long term, and thus are not likely to be affected immediately," Hata said.

Nonperforming loans are those on which interest payments are not being made as well as loans that are expected to face a shortage of collateral.

MITI Figures 'Show Inventories Have Peaked'

OW2703080692 Tokyo KYODO in English 0748 GMT 27 Mar 92

[Text] Tokyo, March 27 KYODO—Months of buildup in business inventories have come to a halt, setting in train a long-awaited stockpile adjustment, according to an industrial production report released Friday by the Ministry of International Trade and Industry (MITI).

MITI's preliminary report said inventories declined 1.4 percent last month from January on a seasonally adjusted basis, a turnaround from the steady upward trend over the past year that was viewed as the chief damper on output and the entire economy.

The reduction in inventories comes as the Bank of Japan is widely believed to be prepared to cut the official discount rate by 0.5- 0.75 percentage point from the current 4.5 percent per annum, in a move that is expected to coincide with the release on next Tuesday of a planned pump-priming program by the government.

"The figures apparently show inventories have peaked," said Eiichi Ono, director of MITI's Statistics Analysis Division.

"The coming months will see shrinking inventories, though it remains to be seen how long inventory adjustment will last," he said.

On a year-on-year basis, however, February inventories increased 10.0 percent before seasonal factors are taken into account.

MITI's report also said February output at factories and mines fell 0.6 percent from month [as received] before, after declining 0.8 percent in January and 1.3 percent in December.

The figure translates into a 4.2 percent year-on-year drop on a seasonally unadjusted basis, the fifth consecutive monthly decline.

The production index stood at 124.1 in February, the level seen two years ago.

Ono said industrial production in the current fiscal year may post the first minus growth since the "strong-yen" recession in fiscal 1986, if revised figures remain unchanged from the preliminary report and March output falls 0.9 percent as MITI projects.

Jesper Koll, senior economist at S.G. Warburg Securities (Japan) Inc., said the February inventory contraction is "a very good news" that "indicates the sharp cutbacks in production are having the required results."

He said: "I find it difficult to see any reason why inventory adjustment will not be completed by the end of the summer, that is during the July-September quarter.

Koll attributed the February inventory shrinkage mainly to exports, rather than to domestic demand, citing an anemic increase in shipments, which rose only 0.2 percent from January.

Shoji Saito, chief economist at Mitsui Taiyo Kobe Bank, also gave a downbeat assessment of the future trend of inventories, projecting adjustment will drag on at least until the October-December period.

Saito said inventory adjustment is taking place only for nondurable goods and materials, and a full-scale adjustment is not yet even in place for big-ticket durable goods like cars and capital-spending-related products like machinery.

"The economy really needs a fiscal package. Even if the rate is cut by one percentage point, no company in Japan will revise its capital investment plans upward," Koll said.

"The efficiency of lower interest rates to get the economy rolling is now very low," he said.

Saito said a supplementary budget of more than 2 trillion yen will be needed in the autumn to stimulate the economy and that even then corporate spending will not pick up until fiscal 1993.

Major Private Railways Hold One-Day Strike

OW2603235892 Tokyo KYODO in English 2302 GMT 26 Mar 92

[Text] Tokyo, March 27 KYODO—Japan's nine major private railway trade unions went on a 24-hour strike early Friday morning for the first time in two years, leaving millions of commuters stranded.

Labor and management failed to reach agreement in last-ditch wage negotiations early Friday, causing the strike to go ahead, union officials said.

In the Kanto District, including the Tokyo metropolitan area, the railway lines of Tobu, Tokyu, Keisei, and Sagami companies and the subway network of Teito Rapid Transit Authority have been suspended due to the strike, the officials said.

In the Kansai District, including Osaka and Kyoto, railway services of Nankai, Hankyu, Keihan, and Hanshin companies have been canceled, they added.

Management offered an average monthly wage hike of 15,700 yen to the unions early Friday morning in the bargaining at the nongovernment railways association building in Tokyo. The union rejected the offer.

The offer is 1,300 yen less than last year's average wage hike, the officials said.

Sony's Morita To Resign as Keidanren Official

OW2703035792 Tokyo KYODO in English 0239 GMT 27 Mar 92

[Text] Tokyo, March 27 KYODO—Sony Corp. Chairman Akio Morita is to resign as a vice chairman of the Federation of Economic Organizations (Keidanren), according to informed sources.

Morita is voluntarily quitting the post to put more effort into international exchanges as vice chairman of the federation's board of councillors, the sources said.

His resignation is part of a reshuffle of Keidanren's vice chairmen scheduled for May, they said.

As four vice chairmen, including Morita, will resign after serving three terms for six years and one post remains vacant, five positions will be available.

It has been unofficially decided that Nissan Motor Co. President Yutaka Kume, 70, and NEC Corp. President Tadahiro Sekimoto, 65, will become vice chairmen, respectively as representatives of the automobile and electric appliance industries.

As a representative of trading houses, Mitsubishi Corp. President Shinroku Morohashi, 69, is most likely to assume one post, but there remains a chance for C. Itoh and Co. Chairman Isao Yonekura, 69, the sources said.

As a young, internationally minded candidate, Fuji Xerox Co. Chairman Yotaro Kobayashi, 58, is likely to be appointed as a vice chairman, they said.

Mitsubishi Kasei Corp. Chairman Seiji Suzuki, 69, is also one of nominees, the sources said.

Five-Day Government Workweek Passes Lower House

OW2603091292 Tokyo KYODO in English 0838 GMT 26 Mar 92

[Text] Tokyo, March 26 KYODO—The House of Representatives on Thursday passed a package of bills aimed at introducing a complete five-day workweek for government employees.

The lower house approved the package at a plenary session and referred it to the House of Councillors.

The upper house is expected to approve the package on Friday, parliamentary sources said.

The government plans to implement the system in June, one month earlier than scheduled, government sources said.

Under the new laws, the government employees will have their workweek reduced to 40 hours a week from the current 42 hours, and they will be off every Saturday.

Government sources also said enactment of such laws would pave the way for local governments to revise their regulations to implement five-day workweek for employees during regular sessions of their assemblies in June.

Government Revising Shift System

OW2703121992 Tokyo KYODO in English 1120 GMT 27 Mar 92

[Text] Tokyo, March 27 KYODO—The government has begun revising the shift system for its employees following the Diet's passage Friday of four bills guaranteeing public servants a five-day workweek, officials said.

The new system is expected to come into force on June 1 following a cabinet decision to do so, officials said.

Under the new regulations, public servants will be required to work 40 hours a week, or two hours less than at present.

In principle, the nation's public offices will close on Saturdays because national government employees will no longer be required to work Saturdays.

A Management and Coordination Agency calculation shows that public servants will work 100 hours less than the current official annual 2,060 hours.

At a regular news conference Friday evening, Chief Cabinet Secretary Koichi Kato said the five-day workweek will "bring about a major change in the way of life," in Japan as the country pushes to internationalize.

"With this, (the government) hopes not only public servants but also many people in various fields" will go to the five-day workweek, he said.

Shift workers in the postal service, which is patronized on weekends, state-run hospitals which are part of the national health system, customs offices and immigration offices, as well as public museums and art galleries will continue to work on Saturdays using a rotating shift system, but will work just 40 hours a week.

The exceptions to the new regulations are workers in the postal service, printing facilities, the mint, and forestry offices.

Prefectural and municipal governments are now likely to follow suit after they revise related ordinances, officials said.

Local governments could put their ordinances into effect in July or August, so most public servants will have Saturdays off by the end of the year.

Cities, towns and villages are expected to lag behind prefectural governments in introducing the new system, officials said.

This is because municipal governments provide many services on Saturdays, such as trash collection, and it may be difficult to get residents to accept a cutback in the services, they said.

Report Urges Reform of Japanese-Style Management

OW2603102292 Tokyo KYODO in English 0957 GMT 26 Mar 92

[Text] Tokyo, March 26 KYODO—Middle-management officials should play a central role in reforming Japanese-style business management, the Japanese Association of Corporate Executives (Keizai Doyukai) said in a report published Thursday.

The big business organization's 10th report on business said Japanese-style management, based on total employee dedication to the company, must be replaced by a system allowing employees and employers to jointly engage in creative activities.

Japanese-style management is facing criticism both at home and abroad following Japan's economic friction with Western industrial nations and major economic and political scandals, the report said.

It also said middle-management officials as well as top-management officials should develop their own visions on business and promote dialogues within their companies.

The present personnel rating and pay system, based mostly on working time, must be revised and be based instead on the quality of work, the report said.

To help workers enjoy more relaxed lifestyles, the report said operating manuals should be prepared for routine activities, office automation should be expanded, and special "refresher" vacations should be introduced.

The report mentioned Fuji Xerox Co., Kikkoman Corp., and Omron Corp. as examples of Japanese companies which have implemented plans to meet those goals.

Labor Supply Shortage Reportedly To Continue

OW2603120892 Tokyo KYODO in English 1135 GMT 26 Mar 92

[Text] Osaka, March 26 KYODO—Sluggish real economic growth in Japan after 1993 will not stop the country's labor supply from tightening, according to a survey released Thursday by a private think tank.

Japan will undoubtedly suffer a severe labor crunch if its economy expands by an annual 4 percent, said officials of Sanwa Research Institute, an affiliate of Sanwa Bank,

But the country's labor squeeze will not be ended by slow economic growth, they said.

The research institute's findings are based on forecasts that real economic growth in Japan will slow to 2.7 percent and that the ratio of job openings to job seekers will stand at 1.13 in 1992, they said.

The 1.13 figure means there will be 113 job openings for every 100 job seekers.

If Japan's economy expands by 4 percent after 1993, the ratio of job openings to job seekers will stand at 1.47 in 1995, they said.

This level is the same as that posted in March 1991 when the country's economic expansion hit its peak, they said.

If the country's economy grows by 2 percent, its ratio of job openings to job seekers in 1995 will swell to 1.25 from the projected 1.13 in 1992, they said.

Sanwa officials attributed the findings to structural factors.

The labor shortage is expected to worsen as the economy shifts toward a more service-oriented one and much of the labor demand is in specific industries and occupations, they said.

Household Spending Rises From Year Earlier

OW2703081792 Tokyo KYODO in English 0742 GMT 27 Mar 92

[Text] Tokyo, March 27 KYODO—The nation's household spending rose an inflation-adjusted 1.9 percent in January from a year earlier, resuming an upward trend that halted in December, the government reported Friday.

The Management and Coordination Agency said Japanese families spent an average 319,633 yen in the latest reporting month, representing a 3.6 percent gain before adjustment for inflation.

The January increase, which came after household spending fell an inflation-adjusted 0.8 percent in December for the first year-on-year drop in 12 months, was chiefly underpinned by spending by non-wage earning families and that on services rather than goods.

Spending by such families, including independent business owners and senior citizens, rose an inflation-adjusted 5.3 percent.

Spending by wage-earning families, meanwhile, edged up 0.3 percent on an inflation-adjusted basis.

Adjusted for inflation, spending on services jumped 6.0 percent, while that on goods was flat with the year-earlier level.

Among the categories that marked substantial increases was spending on housing and medical services.

An agency official cited increased housing rental fees and the high rate of flu sufferers as factors behind the increased outlays in these categories.

By contrast, spending on furniture, household goods, clothes and shoes fell sharply.

Spending on furniture and household goods, including electric appliances, fell 2.6 percent on an inflation-adjusted basis, reflecting the mild winter that cut into spending on air conditioners and stoves, the official noted.

The warm winter also dragged down spending on clothes and shoes by 5.4 percent as it discouraged purchasing of winter clothes, he said.

The weaker outlays on clothes were also affected by growing efforts by stores to offer lower-priced clothes rather than expensive items, the official said.

On the earning side, income by wage earning families rose an inflation-adjusted 2.5 percent to an average 424,991 yen despite a 2.0 percent drop in income by housewives.

The official said the decreased income for housewives may reflect relatively longer new-year holidays this year because many of the housewives are part-time workers.

Disposal incomes for wage-earning households, or incomes after taxes and social insurance costs, rose an inflation-adjusted 1.6 percent to an average 353,828 yen.

'Virtual Reality' Computer Graphics Board Noted

OW2603235792 Tokyo KYODO in English 2308 GMT 26 Mar 92

[Text] Tokyo, March 27 KYODO—SEGA Enterprises Ltd. has developed a high-performance computer graphics system board for arcade video game machines featuring "virtual reality," the NIKKEI SANGYO SHIMBUN reported Friday.

The company intends to commercialize an arcade three dimensional computer graphics video game machine as early as this summer, the industrial daily said.

SEGA also plans to develop a variety of virtual reality-based game machines, it said.

Ozone Layer Hole Widens '13-Fold' in Decade

OW2603092192 Tokyo KYODO in English 0836 GMT 26 Mar 92

[Text] Tokyo, March 26 KYODO—The hole in the earth's ozone layer over the Antarctic region widened 13-fold and the amount of ozone lost rose 4.3 times from 1981 to 1991, the Meteorological Agency said Thursday.

The findings indicate the continuing depletion of the ozone layer which filters out the sun's harmful ultraviolet rays.

The data shows that the ozone layer hole reached a record size in early October, 1991 when it covered 17 million square kilometers, including the Antarctic region and southern parts of South America. This was 13 times its maximum size in 1981.

The volume of damaged ozone was estimated at 55 million tons, or 4.3 times the figure in 1981.

The agency plans to announce its findings at an international symposium on the ozone layer in June in the United States.

While there was no major change in the combined ozone volume, with the exception of over the north and south polar regions, the data shows it has dropped by 2.7 percent in the past 10 years.

Data from four domestic observation points in Sapporo, Tsukuba, Kagoshima and Naha show that in Japan in the past 10 years, the largest decrease was 4.5 percent over Sapporo.

The data show the depletion is continuing despite international limits on the release of fluorocarbons into the atmosphere. Fluorocarbons damage the ozone layer.

The findings are based on data from U.S. National Aeronautics and Space Administration satellites and from various countries' Antarctic research stations, including Japan's own Showa base.

North Korea

Results of ROK General Elections Reviewed

SK2703022592 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 26 Mar 92

[Text] According to a report from Seoul, in the general elections for the 14th National Assembly conducted on 24 March the Democratic Liberal Party [DLP] suffered a humiliating defeat losing almost 70 seats out of the seats that it had in the 13th National Assembly. The DLP had 210 of the total 299 seats in the 13th National Assembly. However, in the general elections for the 14th National Assembly the DLP won only 149 seats despite its active illicit efforts through money and government power.

Of the 149 seats that the DLP won this time, subtracting the 33 seats chosen from its national constituency, the number of lawmakers elected from its local electoral districts is only 116.

This fact means that DLP candidates were rejected and defeated in 121 electoral districts, over half of the 237 local electoral districts, where eligible voters directly participated in voting.

Thus, the proportion of the seats that the DLP occupies in the South Korean National Assembly dropped sharply from 70 percent in the 13th National Assembly to a level which fails to reach even half of the total seats. In the current general elections, the opposotion Democratic Party obtained 97 seats, an increase of 22 seats over the seats it had in the 13th National Assembly; the new Unification National Party won 31 seats; the Party for New Politicl Reform won one seat; and 21 independents were elected.

The Voice of America, in its commentary on the results of the elections, said: That voters of South Korea rejected the ruling party and supported opposition candidates and independent candidates is an expression of their strong distrust of the government interspersed with economic failure and factional friction within the ruling party. No Tae-u, too, admitted defeat in the election.

TOKYO SHIMBUN reported that the Japanese Government evaluated the results of the current general elections in South Korea to be grim for the ruling DLP.

The humiliating defeat in the elections has caused new confusion within the DLP. According to reports, in the DLP it is anticipated that Executive Chairman Kim Yong-sam—who took responsibility for the elections—may be asked to account for the defeat. It is also anticipated that the reorganization in the power structure of the DLP and the reshuffle in the government will take place in the wake of the humiliating defeat in the elections.

Reports said that Kim Chong-pil, one of co-chairmen of the party, tendered his resignation on 25 March and that the incumbent general secretary of the party will tender his resignation on 26 March.

South Korean broadcast and foreign press reports predict that the defeat in the elections will further aggravate the DLP's present intraparty dispute over the issue of nominating its presidential candidate.

'Stern Judgement' of DLP

SK2703045492 Pyongyang KCNA in English 0435 GMT 27 Mar 92

["Stern Judgement of 'Democratic Liberal Party.'"—KCNA headline]

[Text] Pyongyang March 27 (KCNA)—Commenting on the debacle of the "Democratic Liberal Party" [DLP] in the 14th "National Assembly elections" in South Korea which were marked by repression and rigging hitherto unknown in history, papers here today view this as a deserved judgement passed on the group of traitors estranged from the people.

Noting that the "DLP" has been pushed into an inferior position in the "National Assembly," loosing many of its seats, NODONG SINMUN says:

This proves that the "DLP" is totally isolated, without support of the people, and it has, in fact, lost the justification to maintain "power."

This defeat, the analyst notes, is a token of the distrust in the treacherous policy of the "DLP regime" which has resorted to all manner of despotism and is a result of a certain degree of unity which the South Korean democratic forces showed by drawing on the past lessons.

The miserable defeat in the "elections" has driven the "DLP regime" into a more hopeless crisis.

The "DLP," an old hand at "lobbying politics," will try to save the situation by winning over the opposition camp and independent winners. But, having lost the support of the people, it cannot alter its lot nor can feel safe.

The democratic forces, gaining confidence and courage from the "election" returns, would invigorate its actions, bringing the confrontation between fascism and democracy to more acute dimensions.

The "election" returns this time show that the attempts of the "DLP" fascist group to stay in power can be thwarted, provided that the anti-"DLP" struggle is intensified through unity.

A MINJU CHOSON analyst says:

The South Korean people experienced again through the "elections" that they could win, if they fought in unity, and the democratic forces were steeled and they strengthened organisational unity through the struggle for the defeat of the "DLP" candidates.

'Spirit of Unity' Between Army, People Urged

SK2703105392 Pyongyang KCNA in English 1013 GMT 27 Mar 92

["NODONG SINMUN on Traditional Spirit of Unity Between Army and People"—KCNA headline]

[Text] Pyongyang March 27 (KCNA)—NODONG SINMUN today carries an editorial headlined "Let Us Keep Traditional Spirit of Unity Between Army and People in Fuller Bloom".

The People's Army soliders and the entire people of the country who are greeting the 60th anniversary of the founding of the Korean People's Army with the honour and pride of holding in high esteem respected Comrade Kim Chong-il as the supreme commander are giving full play to the traditional spirit of the unity between the army and the people, the editorial says, and continues:

Achieving the unity of the army and the people under the guidance of respected Supreme Commander Comrade Kim Chong-il holds an important place in strengthening the might of our party and the revolutionary ranks.

To accomplish the revolutionary cause of chuche it is imperative to strengthen the might of the singlehearted unity of the army and the people and give full play to the traditional spirit of the unity between the army and the people, upholding the guidance of the supreme commander. It is a firm guarantee for the victorious advancement of the revolution that the leader leads the army and the people to victory and the army and the people resolutely defend and safeguard their leader and unite as one and uphold with loyalty the leadership of the supreme commander.

The relationship between the revolutionary army and the people depends on the greatness of the supreme commander, the leader of the party. The loftiness of the revolutionary cause led by the leader is the source of the singlehearted unity of the army and the people.

The spirit of the unity between the army and the people which has been highly displayed from the first day of the founding of our army under the wise leadership of the great leader Comrade Kim Il-song is being brought into fuller bloom at a new higher stage under the wise leadership of respected Supreme Commander Comrade Kim Chong-il.

Both the army and the people are thinking and acting with the idea and intention of the party as their faith and as required by them and the army and the people are carrying out the cause of the supreme commander in singlehearted unity. When this proud spirit of our army and the people is kept in fuller bloom, the might of our party and the revolutionary ranks can be invincible and a greater victory be achieved in the revolution and construction.

Hungnam Port Expansion Project Nearly Completed

SK2603155392 Pyongyang KCNA in English 1514 GMT 26 Mar 92

[Text] Pyongyang March 26 (KCNA)—The Hungnam port with a long history on the east coast of Korea, is being expanded on a large scale.

When completed the port will have a wharf hundreds of metres long, capable of accommodating large cargo ships of tens of thousands of ton class. It will also have an ordinary wharf and a connecting wharf.

It will be furnished with large-size, modern equipment and facilities such as 100-ton hydraulic waggon-overturners, travelling large carts, a belt conveyer line, loading machines, harbour cranes, railway sidings and warehouses.

Constructors under the General Bureau of Harbours have completed 90 percent of the project.

History of Rural Housing Construction Profiled

SK2603154292 Pyongyang KCNA in English 1504 GMT 26 Mar 92

[Text] Pyongyang March 26 (KCNA)—Korea has set itself the goal of introducing central heating and gas supply systems into some 20,000 rural villages in a few years.

Systems have been introduced into such cooperative farms as Chongsan and Kochang in Nampo Municipality, Kumchon in Sunchon City, Misang in Anju City, Sokha in Sinuiju City and Hwasan in Sinchon County and other rural villages in recent years.

The agricultural working people there are enjoying affluent and civilized life like townsfolks in neat multi- and single-floored houses with 2 or 3 rooms.

The history of the construction of farm villages resembling cities is associated with the benevolent loving care of the great leader President Kim Il-song who always pays deep attention to providing farmers with a better condition of living.

President Kim Il-song visited Sowon-ri, Pyoksong County, South Hwanghae Province, in February 1957 to personally designate the site of a village at the sunny foot of a mountain and gave on-the-spot guidance to Saenal-ri, Sinchon County, in May 1958, assigning to the officials concerned tasks to well design the farm village there. And he said that villages should not be built in one area but be distributed with workteams as units around the ri seat and indicated their form and content.

Many residential houses made their appearance in rural communities under the care of the great leader after the postwar period (since July, 1953) when the economic conditions of the country were difficult.

His loving care for providing farmers with better houses knew no bounds.

In April, 1970, President Kim Il-song gave task to designers to design rural houses better on modern patterns and guided them to give splendid finishing touches to the tentative designs. And he saw to it that each household was provided with bath rooms and modern furniture and kitchen utensils, while going round village houses built on the tentative basis in April 1973.

He called at Oguk-ri, Anak County, in May, 1974 and personally became the construction chief, calling upon the villages to build "a communist ideal village" which would not be inferior to others in the distant future. As a result, a rural city has made its appearance around a fruit farm in Oguk-ri in a matter of one year with two to four storyed houses for some 1,300 families furnished with modern furniture and kitchen utensils and educational, cultural and welfare facilities including schools, kindergardens, hurseries, hospitals, stores.

Modern houses for 957,000 families were built in the countryside from 1964 to 1980.

Over 50 villages of calcium silicate brick houses made their appearance in rural communities surrounding Pyongyang and 40 odd "unjong (tender care) villages" took shape in North Hwanghae Province and modern rural houses for hundreds of thousands of families were built throughout the country in the 1980s.

Today the agricultural working people of Korea are displaying the advantages of our socialism centered on the masses with the increased production of grain, living in modern houses.

South Korea

Second Joint Political Subcommittee Meeting Held

SK2703073592 Seoul KBS-1 Radio Network in Korean 0500 GMT 27 Mar 92

[Text] North and South Korea held the second meeting of the Political Subcommittee of the North-South high level talks at Tongilgak in the North side's area of Panmunjom this morning and discussed measures to implement North-South reconciliation.

The second round of the North-South Political Subcommittee meeting was held for about three hours today, and our side proposed, as it did in the first round of meetings on 9 March, that the two sides discuss implementation measures of the North-South basic agreement clause by clause and make auxiliary agreements for each clause and task. The North side, however, insisted on a package deal and simultaneous implementation, which resulted in failure to reach agreement.

Yi Tong-pok, chairman of our side, in a keynote speech, said that since inter-Korean relations are special relations which are formed temporarily in the process toward reunification as stipulated in the preamble of the North-South basic agreement, discussion ought to be made in the first place as to the matter of acknowledging the representation of each other's government and legal order. Our side repeatedly proposed to the North side that a North-South joint law committee be formed and operated to solve the legal problems that will arise in implementing the agreement. Our side also proposed, in connection with the clauses on banning vilification and destructive and subversive activities, that the two sides not engage in personal attacks on the top authorities of the two sides through mass media and that the two sides discuss the practical measures to demilitarize the Demilitarized Zone.

Our side also proposed that the two sides provide a channel for contact in areas where both the North and the South have their overseas missions to promote the practical diplomatic interests of the two sides and that the two sides discuss joint business through international organizations, such as the UNDP [the United Nations Development Program].

As for the clause on the formation and operation of liaison offices as stipulated in Article 7 of the North-South basic agreement, our side reemphasized, as it did in the previous round of meetings, that it is desirable for each to establish them in the other's side of Panmunjom.

The two sides, which failed to narrow differences in today's meeting, agreed to hold a third round of contacts on 23 April to continue negotiations.

Joint Legal Commission Proposed

SK2703031692 Seoul YONHAP in English 0303 GMT 27 Mar 92

[Text] Panmunjom, March 27 (YONHAP)—South Korea proposed Friday to North Korea that they form a joint legal commission to coordinate and settle problems arising in the course of implementing the Agreement on Reconciliation, Nonaggression, and Exchanges and Cooperation.

The commission could meet once every two months to survey the legal practices and judicial systems of both sides, to exchange information, and to coordinate legal disputes, Yi Tong-pok, chief South Korean delegate to the second meeting of the political subcommittee of the high-level political talks, said.

He said liaison offices could be opened in both sides of this truce village and be expanded in terms of function and personnel.

Yi, the southern-side chairman of the subcommittee, said the two sides should stop slandering each other's system and carry out other accords contained in the agreement, signed in December and ratified in February, one at a time by working out a priority list.

In a key-note speech, he said the two sides should recognize each other's government as representing the people, recognize and respect the political, economic, social and cultural systems, and the legal order of the other side, and stop slandering through all media the highest authority and system.

He suggested the two sides survey slander and vilification through the media and propaganda broadcast by loudspeakers along the Military Demarcation Line, and take corrective measures.

Yi said the two sides should work out measures to ban any attempt to destroy or subvert the other side, and abide by all international rules against terrorism.

He called for talks on replacing the truce with a peace, for substantial demilitarization of the Demilitarized Zone (DMZ), and for normalization of the Military Armistice Commission and the Neutral Nations Supervisory Commission.

He urged the North to discuss joint projects through the United Nations Development Program and other world bodies to put an end to confrontation and competition in international forums.

DLP National Convention Set for May

SK2703104192 Seoul YONHAP in English 1026 GMT 27 Mar 92

[Text] Seoul, March 27 (YONHAP)—The ruling Democratic Liberal Party [DLP] has decided to hold its national convention in May to elect its presidential candidate.

President No Tae-u acknowledged in a weekly meeting with party Executive Chairman Kim Yong-sam Friday that the party convention will be held in May in accordance with the party charter.

No entrusted the entire party affairs to Kim's "firm" control and management, said Son Chu-hwan, senior presidential secretary for political affairs, after the meeting.

No returned the resignations handed in by party Co-Chairmen Kim Chong-pil and Pak Tae-chun, saying that he wanted to see them take the ruling party's defeat in

Tuesday's [24 March] general elections as an opportunity to pluck up the resolution to exert themselves more for the party and the nation, according to Son.

The first weekly tete-a-tete after the elections lasted for an hour and 20 minutes.

No, however, dropped a hint that he would seek to reshuffle three key party posts under the Executive Council, party secretary general, policy committee chairman and floor leader, by asking Kim to submit the party's opinion on reshuffle of key posts at an early date.

No is to have a luncheon meeting with the three co-chairmen Saturday. Observers said that the DLP leaders would probably make a final decision on the intra-party reshuffle plan in the four-way meeting.

"No expressed his resolution that he would not tolerate any more intra-party discord related to the general elections," Son said.

Asking Kim to take full charge of party affairs, Son said, No stressed the need to combine all strengths of the party ahead of the party convention and presidential elections.

No was quoted as saying that he would hold the regular party convention, which will determine the party presidential candidate as well, in May in compliance with the party constitution. He asked Kim to prepare for a successful staging of the convention.

Kim reported to No that he felt sorry to the party and No for his party's failure in the general elections, saying that he would accept the people's will represented in the elections humbly.

No said that the government as well as the party was responsible for the election results and that he took the election outcome as the "will of heaven," Son explained.

"No said that his government would concentrate on the task of advancing economic recovery during the rest of his tenure," Son said.

No Tells Cabinet To End 'Public Discontent'

SK2703101292 Seoul YONHAP in English 0815 GMT 27 Mar 92

[Text] Seoul, March 27 (YONHAP)—President No Tae-u instructed the cabinet Friday to leave no stone unturned in correcting the social atmosphere, which he said had been loosened by the general elections.

After being briefed by Prime Minister Chong Won-sik, No said the cabinet had to show people it was working hard by accepting their will as represented in the elections and make everyone put their shirt back on.

"The cabinet should use all its efforts to work out policies to dissolve public discontent and remove inconveniences as well as to carry out the campaign pledges made during the election campaign," the chief executive said.

The government must be busy tackling economic issues and making life comfortable for the people, he added.

"Every relevant ministry and local administrative unit should not allow a spiralling of the real estate prices to take place as a result of the plethora of election promises," No said.

Discusses UNP at Cabinet Meeting

SK2703003092 Seoul THE KOREA HERALD in English 27 Mar 92 p 2

[Text] President No Tae-u, apparently concerned about the Unification National Party's [UNP] inroads into the parliament, said enterprises should concentrate on industrial activities without being swayed by politics.

No made the comment at his cabinet meeting that discussed the "public opinion" reflected in the general election held Tuesday, a spokesman said.

The elections propelled the maverick opposition UNP led by retired tycoon Chong Chu-yong to the national political scene as a political force to be reckoned with. It captured 31 seats of the 299-member National Assembly, a surprise to established political parties.

The success achieved by Chong, the founder of the powerful conglomerate Hyundai Group, however, triggered uneasiness among some leading businessmen, especially Hyundai's rival companies.

Daewoo Group Chairman Kim U-chung, among others, has been on bad terms with Chong. The two traded accusations last week with regard to Chong's participation in national politics.

No told his cabinet to firmly establish the "principle of separation of politics and economy," Chongwadae spokesman Kim Hak-chun said.

"We should foster an atmosphere under which businesses can engage in industrial activities without being influenced by political changes," the spokesman quoted No as saying.

Prime Minister Chong Won-sik and all other cabinet members were present at the session held at the presidential office.

The President stressed that the administration and the ruling Democratic Liberal Party should accept the results of the elections "with humility." In the election, No's governing party failed to win a majority of parliament seats in direct voting in a stunning upset.

"The election made us realize once again how deep public distrust of the existing political circles was," No said. "We should strive harder to serve the people and the nation with a born-again spirit."

He added that the election outcome should be seen as a warning against the government party, which he noted has failed to do its utmost to promote the well-being of the people and economic stability while engaging in internal factional feuding.

Opposition Leaders Interviewed on Election Results

Kim Tae-chung Interviewed

SK2603145292 Seoul KYONGHYANG SINMUN in Korean 26 Mar 92 p 2

[Interview with Kim Tae-chung, Democratic Party leader by reporter Chang Hwa-kyong on 25 March at his office]

[Text] "In the general elections, our Democratic Party [DP] made it possible to check the constitutional amendment, thus achieving 'political victory.' I believe that this was achieved mainly because of the support from eligible voters for the merger of the opposition parties, which was an order from the people."

At 1000 on 25 March, Kim Tae-chung, leader of the DP who had arrived at the party headquarters, characterized the general elections results as: "Defeat for the Democratic Liberal Party [DLP], victory for the DP, rapid progress for the Unification National Party [UNP], and a great advance by the independent candidates."

[Chang Hwa-kyong] Why do you think that the DP was victorious?

[Kim Tae-chung] The people were very much disgusted with the ruling party's arrogance and railroading tactics since the three parties' merger. At this point in time, our party's policy of restraint was more persuasive than the DLP's policy of stability.

[Chang] Why do you think that the DLP was defeated?

[Kim] During the election campaign, the DLP leaders openly expressed their personal ambition for supreme power, the Agency for National Security Planning spread malicious propaganda, and the military's absentee voting was carried out openly.

[Chang] In Pusan, candidates Kim Chong-kil and No Mu-hyon, who are current lawmakers, failed in the general elections. Also, the DP suffered total failure in the Yongnam and Kangwon regions.

[Kim] I feel very sorry that the two incumbents failed in the general elections. From the standpoint of some DLP candidates from the Yongnam region losing in the general elections, I expect that there will be considerable changes favorable to our side in the presidential elections.

[Chang] What are the tasks that must be solved after the general elections?

[Kim] Because President No Tae-u announced that he will unilaterally postpone the elections for the heads of the self-governing local units and will receive judgment from the people in the general elections on this matter, President No must certainly carry out the elections for the heads of the self-governing local units, since the general elections resulted in the phenomenon of a weak ruling party and strong opposition parties.

If there had been no announcement on the postponement of the elections for the heads of the self-governing local units, it would have been impossible for the administration to intervene in the general elections and the DP could have won the majority of seats in the general elections. For the DLP to smoothly manage the political situation through dialogue and negotiations in the 14th National Assembly, its first needs to show a quick response on implementing the elections for the heads of the self-governing local units.

Kim Tae-chung said: "I congratulate the UNP and independent candidates for their good fight. I hope to cooperate with the opposition party, the UNP."

As for some candidates who lost in the general elections, such as candidate Yim Chae-chong who lost by only 36 votes, Kim Tae-chung said: "If there is not much difference between the winner and loser in the general elections other than the number of absentee voters, there are grounds for irregularities in the general elections when considering First Lieutenant Yi Chi-mun's disclosure." He added that after carrying out a legal investigation, he will institute a nullity suit on the general elections or call for holding military absentee voting again.

Criticizes DLP Wooing Independents

SK2703003992 Seoul THE KOREA TIMES in English 27 Mar 92 p 2

[Text] DP [Democratic Party] chairman Kim Tae-chung yesterday attacked the ruling party leader ship for drawing independent winners in the Tuesday elections too hurriedly into its fold to beef its membership for the 14th Assembly to a majority.

"The ruling camp is trying to break up the small-government and big-opposition formula and ignore the people's warning again. President No Tae-u and DLP [Democratic Liberal Party] executive chairman Kim Yong-sam should keep by their word to accept the election returns in a solemn and sincere manner" he said.

Chong Chu-yong Interviewed

SK2603150492 Seoul KYONGHYANG SINMUN in Korean 26 Mar 92 p 2

[Interview with Chong Chu-yong, Unification National Party executive chairman, by reporter Pak Hung-sin on 25 March at his office]

[Text] Chong Chu-yong, Unification National Party [UNP] executive chairman, who caused a sensation in the 24 March general elections, said on 25 March: "I will decide in one or two months whether or not to run for the presidency." He hinted that he will make a final decision on whether to run for the presidency after observing the direction of the political situation after the 14th National Assembly has been formed.

He revealed this in a meeting with reporters on the morning of 25 March at the Pyong-tong party headquarters. As for enlisting independent candidates elected in the general elections, he said: "It is too early to discuss this matter. However, I will accept anyone who has the same intentions as our party."

[Pak Hung-sin] What is your impression of the general elections?

[Chong Chu-yong] If an atmosphere of fair and just elections had been created, our party would have won more seats. The political situation dominated by security affairs repressed the election campaigning. For the Central Election Management Committee to make a problem of my qualifications as a candidate for the national constituency in the last round of the election campaign was a fatal blow to our party.

[Pak] Are you satisfied with the general elections results?

[Chong] I expected to obtain better results. We achieved only one fourth of our goal. Because the Democratic Liberal Party concentrated on attacking our party more than it did the Democratic Party, many of our candidates ranked second.

[Pak] The propspects are good that at the 14th National Assembly, the UNP will play the role of casting deciding votes.

[Chong] If it is helpful for developing the country, we will form a cooperative system with any party, whether it is the ruling party or the opposition party.

[Pak] In the campaign speeches, you made many promises.

[Chong] Some of my promises were to be implemented after I had taken power and some were to be implemented if our candidates had been elected in the general elections. After distinguishing what is most important among the promises I made, I will put them into practice if circumstances allow.

[Pak] There are rumors that the UNP will play the role of guardian for Hyundai Group, such as undertaking legislative activities for it.

[Chong] I am not a petty person working only for Hyundai Group.

[Pak] What do you think about Daewoo and Sonkyong criticizing your political activities?

[Chong] I hope that they will make a fair assessment of us in the future and will regard their criticism as bygones.

[Pak] At every campaign speech, you severely criticized President No.

[Chong] Criticizing the president was one of our strategies for the general elections and nothing more. If he proposes to hold a meeting among the party leaders, there is no reason not to meet him.

Apologizes to Election Committee

SK2603235292 Seoul THE KOREA HERALD in English 27 Mar 92 p 2

[From the "Out and About" Column]

[Text] Unification National Party (UNP) leader Chong Chu-yong behaved in an unusually humble manner when he visited the Central Election Management Committee yesterday. Chong apologized for his party's ads criticizing the committee which ran in some local dailies Sunday.

The ads were removed in later editions of the newspapers at the urging of the election watchdog.

The ads appeared amid controversy over whether Chong should be considered a journalist or not. Journalists are banned by law from running in parliamentary elections.

Chong asked Yun Kwan, head of the committee, to revoke his decision to bring legal action against the UNP for the ads. The committee maintains the position that running ads against the election body is against the law.

Yun told the former business tycoon that the matter would be discussed later in a plenary meeting of senior committee members.

DP, UNP Seeking To Coordinate Opposition

SK2703010292 Seoul YONHAP in English 0044 GMT 27 Mar 92

[Text] Seoul, March 27 (YONHAP)—The Democratic Party (DP) and the Unification National Party (UNP) were reported Friday to be promoting a meeting of their leaders to coordinate opposition policies in the 14th National Assembly.

DP leader Kim Tae-chung and Chong Chu-yong, head of the UNP, are expected to discuss, among other things, the possibility of holding local elections this year, absentee balloting in the military and other issues.

The two leaders were quoted earlier as saying that it would not be a bad idea to hold the local elections, which President No Tae-u has said he wants postponed because of their possible adverse effects on the nation's economy.

However, the DP is said to be in favor of holding the local elections before the end of June, as required by law, while the UNP reportedly hopes to carry them out in September or together with the presidential elections scheduled for December.

One DP source, who declined to be identified, said it was desirable for the two to meet soon to coordinate their policies now that the UNP had become a parliamentary negotiating group.

A UNP official said his party was also considering bringing the two leaders together to make an "official acquaintance" and exchange views on pending issues, including the local elections. The meeting could be realized as early as next week, the official said, requesting anonymity.

Investigation of NSP Agents Resumed

SK2703000992 Seoul THE KOREA HERALD in English 27 Mar 92 p 3

[Text] The prosecution resumed investigation of the smear campaign scandal involving four security agents after a two-day break yesterday but failed to find any clues.

As the probe hits a snag once again, prosecutors will try to determine if the spreading of the leaflets was an organized act and will collect related evidence, prosecution sources said yesterday.

During yesterday's investigation, the four officials of the Agency for National Security Planning (NSP) repeated that they had acted at the request of one of their friends, the sources said.

They also testified that they had not acted under orders from NSP superiors and refused to reveal the name of the friend, the sources said.

The prosecution also called in three campaign workers for Hong Sa-tok, then the opposition Democratic Party [DP] candidate in the Kangnam-B constituency in southern Seoul, who caught the agents, to hear their testimonies.

The prosecution questioned the DP members about how they had arrested the NSP officials and made them write a statement about spreading the mud-slinging fliers, the sources said.

Cross-examination was conducted on the conflicting remarks between NSP officials and the campaign workers, they said.

As evidence, the DP members handed over the identification cards of the security agents, which show that the agents are employed by the NSP, the sources said.

Meanwhile, the prosecution will also investigate charges that the ruling Democratic Liberal Party mobilized college students during the campaign for Tuesday's parliamentary elections.

The prosecution probe will focus on "Hanmaekhoe," which is said to be a suborganization of the DLP with a nationwide network of college students and youths, the sources said.

Article Forecasts Reformulation of Party Factions

SK2703064892 Seoul KYONGHYANG SINMUN in Korean 26 Mar 92 p 4

[Article by reporter Cho Pyong-chol]

[Text] The result of the 24 March general elections, which revived the situation in which the ruling party is outnumbered by the opposition, forecasts a considerable change not only in the upcoming presidential race but in the factional formation of the Democratic Liberal Party [DLP] and the Democratic Party [DP].

With the DLP suffering a humiliating defeat and failing to occupy a simple majority of the National Assembly seats, it is anticipated that brisk factional reformulation will be forthcoming.

The Kim Yong-sam faction consisting of former Reunification Democratic Party [RDP] members won a complete victory in Pusan, but lost many of its assembly seats in South Kyongsang Province, which is supposed to be a pro-Kim Yong-sam region, Seoul, and Kyonggi Province, making the shrinkage of its factional force inevitable.

Therefore, people will watch with curiosity how much support Chairman Kim Yong-sam will command, that is, how many figures will rally around him, in the upcoming contention for the party nomination for the presidential race.

Chong Sang-chon, Yu Hung-su, Kwak Chong-chul, Ho Sam-su, and Kim Hyong-o, who were elected, belonged to the Democratic Justice Party [DJP] faction, but rallied around Chairman Kim Yong-sam during the election conscious of the "Kim Yong-sam fervor" in their constituencies. However, now that the general election ferver is over, one can hardly predict whether they will remain under his umbrella.

The Kim Chong-pil faction consisting of former New Democratic Republican Party [NDRP] members is in a far more miserable condition.

Despite his theme that the people in the central region should increase their role, only two of Chairman Kim Chong-pil's men who belong to the genuine NDRP faction, Kim Yong-hwan and Cho Pu-yong, were elected besides Chairman Kim Chong-pil himself, in the Taejon- South Chungchong Province area, suffering virtually a total defeat in Seoul and Kyonggi Province, with the result that the survival of the NDRP faction itself is at stake.

As for the largest of the DLP factions, the DJP faction, despite the fact that its boss is President No Tae-u, the DLP president, the cohesion of the DJP faction may well be extremely weaken, as President No, with his lame-duck phenomenon of weakening power accelerated, will have difficulty in getting his orders and directives attended to in a workable way by the four-year term lawmakers.

Therefore, with the middle bosses of the DJP faction, such as reelected lawmakers Yi Chong-chan, Yi Han-tong, and Yi Chun-ku, coming to the fore, the DLP factional reformulation is likely to be affected by the moves of these middle bosses.

As for the DP, 58 of the 75 are from the New Democratic Party [NDP] faction and 17 from the RDP faction, the NDP faction holding a far predominant position.

Four more from the NDP faction are elected compared with the 54 who were elected in the 13th general elections when then president of the Party for Peace and Democracy [PPD] raked up all the votes in the Cholla provincial area with his "yellow fervor" [yellow is the PPD's color].

Although in the 14th general elections, the Kim Tae-chung fervor decreased in Cholla provinces compared with the 13th general elections and two assembly seats of North Cholla Province went to the DLP, the DP did well in other regions and increased the number of elected. This is considered to be an advantage for Co-representative Kim Tae-chung in his presidential race.

The RDP faction attained great success in the election by having 15 non-lawmakers elected, but suffered a miserable defeat in Pusan and South Kyongsang Province, from which Co-representative Yi Ki-taek comes. This is likely to play a minus factor, for Co-representative Yi Ki-taek is no longer in a position to claim his greater share of voice by reason of his representation of Kyongsang provinces.

Besides, another of the conspicuous phenomena for the DP is that quite a few of those from the dissident camp were elected. Therefore, these figures are likely to form a force to initiate reform within the party. The election of Chairman Yi Pu-yong—who currently heads National Movement Alliance for Democratization [Minnyon] and who is considered to be qualified to lead the dissident group—to the National Assembly is likely to facilitate the dissident group's formation of a third force in the DP. This dissident group is expected to include four figures from the Minnyon, such as Messrs. Yi Pu-yong, Pak Kye-tong, and Won Hye-yong [as printed], Mr. Yi Chol from the RDP faction, and Messrs. Sin Kye-yun, Yi Hae-chan, Che Chong-ku, Chang Yong-tal, and Yi Kil-chae from the NDP. Adding Chairman Yi U-chong, from the national constituency, to this, the dissident group will consist of 11 members and the group is expected to exercise considerable influence on the course of the DP.

As for the independents, the majority of them are pro-ruling camp figures. It remains to be seen whether they will form an independent force or join the DLP.

Excepting Mr. So Sok-chae, a close associate of Kim Yong-sam who was elected on the DLP's recommendation, 17 of the 20 independents are classified as pro-ruling camp figures.

Of the pro-ruling camp figures, nine figures, namely, Messrs. Chong Ho-yong, Kang Chang-hui, Yi Chae-hwan, Kim Chong-nam, Yi Sang- chae, Ho Hwa-pyong, Kim Sang-ku, Pyon Chong-il, and Mr. Yi Kang-tu who was imprisoned when he ran as DLP candidate on charges of illegal distribution of money, are at a distance from the Sixth Republic. On the other hand, eight figures, namely, Messrs. Cho Chin-hyong, Choe Ton-ung, Song Mu-yong, Kim Kil-hong, Yi Sung-mu, Ha Sun-pong, Hyon Kyong-tae, and Yang Chong-kyu, are pro-Sixth Republic. Excepting Yi Sung-mu, who declared on 25 March that he will join the DLP, most of these pro-Sixth Republic figures are expected to take a wait-and-see position watching the development of the political scene.

Of those independents not mentioned, Mr Pak Hon-ki can be classified as pure independent, and Mr. Chong Pil-kun is pro-Kim Yong-sam. Mr. Kim Ho-il is a pro-opposition independent, but he is aloof from the DP in that he is an anti-Kim Tae-chung figure.

Factional Distribution of Those Elected in the 14th General Elections.

DLP (116)			
DJP Faction (83)		RDP Faction (23)	NDRP Faction (10)
Yi Chong-chan;	Kim In-yong;	No Sung-u;	Pak Myong-kun;
So Chong-hwa;	Nam Pyong-u;	Paek Nam-chi;	Yi Taek-sok
Yi Se-ki;	O Se-ung;	So Chong-won;	Yi Chong-kun
Kim Yong-ku,	Kim Yong-kwang;	Kim Tok-yong;	Kim Chong-pil
Yi Sun-chae;	Im Sa-pin;	Kim Hyong-o;	Cho Pu-yong
Pak Myong-hwan;	Chang Kyong-u;	Chong Chae-mun;	O Chang-sop
Pak Chu-chon;	Yi Song-ho;	Kim Chong-su;	Ham Sok-chae
Pak Pom-chin;	Yi Cha-hon;	Pak Kwan-yong;	Ku Cha-chun
Kim Ki-pae;	Chong Chang-hyon;	Che Hyong-u;	Kim Yong-chae
Na Ung-pae;	Chong Yong-hun;	Ho Chae-hong;	Kim Yong-hwan
Kim Chung-wi;	Yi Han-tong;	Mun Chong-su;	
Chong Sang-chon;	An Chan-hui;	Kim Un-hwan;	
Kwak Chong-chul;	Yi Yong-mun;	Song Tu-ho;	

Factional Distribution of Those Elected in the 14th General Elections. (Continued)

DLP (116)			
DJP Faction (83)		**RDP Faction (23)**	**NDRP Faction (10)**
Ho Sam-su;	Yi Ung-hui;	Yi In-che	
Yu Hung-su;	Yi Hae-ku;	Yu Sung-kyu	
Kim Chin-chae;	Kim Mun-ki;	Pak Kyong-su	
Yu Su-ho;	Yi Min-sop;	Hwang Myong-su	
Kim Pok-tong;	Sim Myong-po;	Hwang Nak-chu	
Pak Chun-kyu;	Pak U-pyong;	Kim Chong-ha	
Kang Chae-sop;	Chong Chae-chol;	Kang sam-chae	
Kim Yong-tae;	Kim Chae-sun;	Kim Ki-to	
Pak Chol-on;	Yi Chun-ku;	Kim Pong-cho	
Kim Han-kyu;	Sin Kyong-sik;		
Choe Chae-uk;	Pak Chun-pyong		
So Chong-hwa;	Kim Chong-ho;		
Sim Chong-ku;	Min Tae-ku;		
Yi Sung-yun;	Yi Kung-kyu;		
Cho Yong-chang;	Yang Chang-sik;		
Nam Chae-tu;	Hwang In-song;		
So Su-chong;	Pak Chong-su;		
Pak Se-chik;	Kum Chin-ho;		
Kim Yun-hwan;	Kim Tong-kwon;		
Yu Sun-u;	Kang Sin-cho;		
Yi Sang-tuk;	Yi Yong-chang;		
Chang Yong-chol;	Yu Hak-song;		
Pae Myong-kuk;	Chong Sun-tok;		
Kim Yong-il;	Kim Yong-il;		
Chong Tong-ho;	Sin Chae-ki;		
Sin Sang-sik;	Na O-yon;		
Kim Chae-kyom;	Pak Hui-tae;		
No In-hwan;	Kwon Hae-ok;		
Kang U-hyok;	Hwang Yun-ki;		

Factional Distribution of Those Elected in the 14th General Elections.

DP (75)			
NDP Faction (58)			**RDP Faction (17)**
Chong Tae-chol;	Chang Yong-tal;	Cho Se-hyong;	Kang Su-im
Chae Yong-sok;	Kim Tok-kyu;	Yi Hyop;	Yi Chol
Sin Kye-yun;	Kim Won-ki;	Kim Won-kil;	Yu In-tae
Kim Tae-sik;	Son Se-il;	Hong Yong-ki;	Cho Sun-hyong
Yi Won-hyong;	Chong Kyun-hwan;	Kim Sang-hyon;	Pak Key-tong
Yi Hui-chon;	Yim Chun-won;	Choe Nak-to;	Choe Tu-hwan
Kim Yong-pae;	Kang Chol-son;	Yi Kyong-chae;	Chang Sok-hwa
Choe Chae-sung;	Kim Pyong-o;	Kwon No-kap;	Hong Sa-tok
Pak Sil;	Kim Chung-cho;	Han Kwang-ok;	Yi Pu-yong
Ho Kyong-man;	Yi Hae-chan;	Sin Sun-pom;	Ha Kun-su

Factional Distribution of Those Elected in the 14th General Elections. (Continued)

DP (75)			
NDP Faction (58)			RDP Faction (17)
Kim Chong-wan;	Pak Tae-yong;	Sin Ki-ha;	Song Chon-yong
Hwang Ui-song;	Chong Sang-yong;	Kim Myong-kyu;	Kim Won-ung
Pak Pok-chin;	Cho Sun-sung;	Pak Kwang-tae;	Won Hye-yong
Pak Sang-chon;	Yi Kil-chae;	Yu Chun-sang;	Pak Kyu-sik
Cho Hong-kyu;	Hong Ki-hun;	Yi Yun-su;	Yi Kyu-taek
Yi Yong-kwon;	Mun Hui-sang;	Kim Yong-chin;	Chong Ki-ho
Yi Sok-hyon;	Kim Pong-ho;	An Tong-son;	Kim Chang-kon.
Yu Il-hak;	Che Chong-ku;	Pak Sok-mu;	
Han Yong-su;	Kim In-kon;	O Tan;	
Han Hwa-kap.			

Survey Examines Voters' Election Preferences

SK2703070692 Seoul CHUNGANG ILBO in Korean 26 Mar 92 p 2

[Results of telephone poll by the Data Bank of CHUNGANG ILBO on the National Assembly Elections with a selected 1,000 voters from across the country; poll conducted on 25 March]

[Excerpt] Eligible voters who participated in the current general elections anticipated the general elections results which brought a humiliating defeat for the Democratic Liberal Party [DLP]. They were also satisfied with the results, thereby leading us to vividly understand their deep distrust of the ruling party.

Concerning the general election results, 53.3 percent of the respondents, over half of the respondents said the results were "satisfactory" (9.5 percent said they were very satisfactory while 43.8 percent said they were generally satisfactory). Only 17.0 percent said they were "unsatisfactory" (13.9 percent said they were generally unsatisfactory and 3.1 percent said they were very unsatisfactory).

Concerning the range of satisfaction with the results among voters, there were no major differences in categories of sex, age, education level, and region, but there were some differences depending on one's party preference.

In other words, of those voters who supported the Unification National Party [UNP], 63.4 percent were satisfied with the results of the elections, and of those voters who supported the Democratic Party [DP], 58.5 percent were satisfied with the results of the elections.

Of those voters who supported the DLP which suffered a humiliating defeat in the elections, 48.7 percent, almost half, expressed satisfaction with the election results. This reveals that although they support the DLP, they think its defeat in the elections is a good thing.

Concerning the election results, 55.1 percent of the respondents said "the results were expected" (13.5 percent said they were fully expected and 41.6 percent said they were generally expected), and only 30.2 percent said they were "surprising" (5.6 percent said they were very surprising and 24.6 percent said they were somewhat surprising).

On the general election results where the phenomenon of a weak ruling party and strong opposition parties has appeared, young voters with high education levels in particular accepted such a phenomenon as "unexpected."

Of those voters who chose "unexpected," 46.4 percent were those in their twenties, 30.3 percent were those in their thirties, 24.35 percent were those in their forties, and 28.2 percent were those above fifty. This reveals that younger voters anticipated such unexpected results.

Concerning the academic background of those voters who said "unexpected," 34.6 percent were high school graduates, 33.2 percent were college educated including college students, and 22.9 percent had middle school or lower education.

Despite the advent of phenomenon where we have a weak-ruling party and strong opposition parties, the eligible voters have optimistic prospects concerning the future political situation.

Concerning the question "What do you think are the future political prospects?," 59.8 percent said "Some chaos is expected, but it will not affect stability," and 13.8 percent said "Domestic politics will be managed very stabily in a desirable direction."

Accordingly, 73.6 percent of our voters view the future's political situation affirmatively, and only 7.1 percent said "It will be very chaotic." Of the repondents, 19.3 percent were "undecided."

On the question, "Which party did you vote for?" there was a difference of only 2 percent when compared with actual election results, excluding the percentage of those who gave "No response" to this question. That is, 39.9 percent voted for the DLP, 27.9 percent voted for the DP, 17.1 percent voted for the UNP, 11.5 percent voted for independents, and 3.5 percent voted for other parties.

Let us view the respondents' voting tendencies for each party. Educated people had a tendency not to vote for the DLP but to vote for the DP or the UNP.

And, 27.5 percent of the respondents in their 20's, 38.0 percent of those in their 30's, 46.5 percent of those in their 40's, and 45.5 percent of those in their 50's or older voted for the DLP. This shows differences among different age brackets.

Of the respondents, 27.9 percent said that they voted for the DP. And, 34.6 percent of those in their 20's, 28.4 percent of those in their 30's, 22.2 percent of those in their 40's, and 27.3 percent of those in their 50's or older voted for the DP. Also, 17.1 percent of the respondents said they voted for the UNP with 20.9 percent of the respondents in their 20's, 17.6 percent of those in their 30's, 15.7 percent of those in their 40's, and 15.3 percent of those in their 50's or older voting for the UNP.

Let us view the respondents' voting tendencies in terms of their education. First, 49.1 percent of the respondents with a middle school education or less, 37.4 percent of those with a high school education, and 32.6 percent of university students or those with a university education voted for the DLP. Also, 25.9 percent of the respondents with a middle school education or lower, 27.6 percent of those with a high school education, and 30.8 percent of university students or those with a university education voted for the DP. Also, 9.2 percent of the respondents with a middle school education or less, 19.2 percent of those with a high school education, and 23.8 percent of university students or those with university education or higher voted for the UNP.

Also, 82.4 percent of those who said that they support the DLP actually voted for it, while 75.4 percent of those who said that they support the DP actually voted for it and 73.9 percent of those who said that they support the UNP actually voted for it. This means that approximately 20 percent of the respondents voted for a candidate of a party that they do not support.

Also, 36.6 percent of the respondents said that they do not support any of the parties. Among them, 35.9 percent voted for the DLP; 24.9 percent, the DP; and 18.1 percent, the UNP.

Regarding the question "Why did you choose the candidate you voted for?", 50.0 percent said that they did so because he has excellent capabilities and personal history.

Another 20.6 percent said that they did so because he is a member of a party that they support; 11.3 percent said they did so because his campaign platform was excellent; 3.7 percent said that they did so because I have academic, blood, or regional ties with him. And, 13.7 percent cited other reasons.

Young and highly educated respondents had a tendency to choose a candidate in view of the candidate's party affiliation.

Among the respondents who voted for the DLP, a mere 15.8 percent said that they voted for the DLP because they support it, and 57.7 said that they voted for the DLP because of the DLP candidate's excellent capabilities and personal history.

Among the respondents who voted for the DP, 33.7 percent said that they voted for its candidate because they support it, and 36.5 percent said that they did so because of the candidate's capabilities and personal history. Among the respondents who voted for the UNP, 23.2 percent said that they voted for the UNP because they support it, and 49.7 said that they voted for the UNP because the UNP candidate's excellent capabilities and personal history. [passage omitted]

Bank Governor Outlines Anti-Inflation Measures

SK2603033792 Seoul YONHAP in English
0306 GMT 26 Mar 92

[Text] Seoul, March 26 (YONHAP)—Fighting inflation through control of the money supply will be the No. 1 priority of the Bank of Korea, newly named Governor Cho Sun said Thursday.

After being sworn in Thursday morning, the former deputy prime minister said that South Korea could not proceed along the path to industrialization unless it solved its chronic inflation.

"The recent increase of interest rates, wages, foreign exchange rates and prices has nurtured solid expectations for inflation in the minds of the people. If we choose the path to join the industrialized countries, we should, first of all, heal the addiction to inflation," he said.

"Today, with the ebb of authoritarianism in the nation and the advent of an open era in the international community, there is no way to mitigate the bad effects of inflation, though temporarily and partially. Unless inflation is cured, its poisonous effects will indiscreetly eat away and weaken the national economy."

A long-time economics professor at Seoul National University [SNU], Cho said an appropriate level of money supply was essential to put an end to the inflationary trend, but that "to minimize the impact on the inflation-stricken economy, measures will be taken gradually on a mid- and long-term basis."

He said the method of monetary control should be improved in a departure from stereotypes.

"I will try to expand liberalization of interest rates, while forming the environment for indirect regulations of monetary control," he said.

Stressing that financial order would be distorted and economic vitality damaged if financial principles were neglected, Cho said he would expedite competition in the financial market by boldly abolishing regulations and practices that restricted competition.

A renowned advocate of independence from the government, Cho said he would seek to put the Central Bank on an equal footing with the ministries.

"In any country that is doing well, even when the Central Bank's independence is not guaranteed in a document, the neutrality of its policies are assured," he said.

"We should build a tradition of mutual respect and cooperation between the Central Bank and government agencies. Such a tradition would help keep their relations satisfactory."

An SNU graduate who earned a PH.D. in economics at the University of California at Berkeley in 1967, Cho succeeded Kim Kun, whose tenure ended Wednesday.

1991 Economic Growth Reported at 8.4 Percent

SK2703134692 Seoul YONHAP in English 0850 GMT 27 Mar 92

[Text] Seoul, March 27 (YONHAP)—The South Korean economy grew 8.4 percent in real terms last year and gross national product increased 20.1 percent to 206 trillion won (266.1 billion U.S. dollars), the Bank of Korea announced Friday.

GNP was 171.5 trillion won (221.5 billion dollars) in 1990.

According to a tentative tally compiled by the bank Friday, per capita income was 6,498 dollars and the tax burdening ratio was 18.9 percent.

Korea achieved a growth rate over 8 percent thanks largely to a recovery in exports, increases in facilities investment and domestic consumption, the bank said.

The construction and service sectors expanded 11.3 percent and 10.6 percent, respectively, while manufacturing grew a moderate 8.5 percent. Imports of goods and services grew 17.4 percent.

Production in the agro-fisheries and mining sectors declined 0.8 percent and 0.3 percent, respectively.

Domestic demand growth showed signs of slowing down in both consumption and investment, but the growth rates still ran high at 9.2 percent in consumption and 11.9 percent in fixed investment.

Dependency on overseas markets for investment capital rose to 8 percent from 2.5 percent in 1990. The gross domestic investment ratio of 39.3 percent surpassed the total savings ratio of 36.1 percent, causing the nation's foreign debt to grow.

Labor income accounted for 60.3 percent of gross national income last year, an increase from 59.4 percent in 1990. The GNP deflator grew 10.9 percent, up from 0.3 percent in the previous year.

Foreign Banks Allowed To Trade Korean Stocks

SK2703032192 Seoul YONHAP in English 0231 GMT 27 Mar 92

[Text] Seoul, March 27 (YONHAP)—The government will allow foreign banks and other financial institutions in South Korea to trade Korean stocks freely from July, and will provide them with access to the domestic financial telecommunications network, Finance Ministry officials said Friday.

Under the first-phase plan for financial market opening, finalized Thursday, all foreign financial institutions will be given equal treatment with their Korean counterparts simultaneously with their advancement into Korea.

The government originally planned to grant equal treatment one year after the foreign institutions began operations in Korea and to limit stock investments.

Bank control regulations will be revised in the first half of the year to provide foreign banks with opportunities to explain their positions before facing restrictive measures beginning in April. From July, sanctions will be imposed, in principle, only when foreign banks violate clarified regulations.

In May, foreign banks will have the issuance limit on certificates of deposit (CD) raised. CDs are one of the major means of raising Korean-currency funds available to foreign banks.

In June, the government will extend the maturity of CDs and drop the unit of issuance from 50 million won to 10 million won.

In July, the width of the one-day foreign exchange rate change will be enlarged to 0.8 percent, from 0.6 percent, or more than 12 won per U.S. dollar a day, and the maturity of call money will be extended to a maximum of six months. Currently, it is a maximum of 15 days.

Finance Ministry officials said the measures were a follow-up to the fourth Korea-U.S. financial policy talks in Washington on March 10.

The government will revise statutes of the Korea Federation of Banks and the Korea Financial Telecommunications and Clearings Institute to allow foreign banks to join them as regular members and have a say in the operation of the computer network.

Foreign exchange regulations will be eased to a great extent, and foreign securities firms will be allowed to engage in foreign exchange transactions with their operating funds from September.

They may conduct transactions on forward exchange rates first and submit the related documents later if each transaction does not exceed 3 million dollars. Companies whose external trading record is 5 million dollars or more will be allowed to make foreign currency deposits without proving actual demand.

They will be exempted from the obligation of proving actual demand for foreign currency deposits amounting to 10 percent of their external trading balance.

Banks and companies will be allowed to make futures tradings of foreign currency within the limits of actual demand by setting price and other conditions beforehand.

1991 Energy Imports Reported at 91 Percent

SK2703011792 Seoul YONHAP in English
0049 GMT 27 Mar 92

[Text] Seoul, March 27 (YONHAP)—Korea imported over 91 percent of its energy last year, one of the highest rates in the world, the Energy and Resources Ministry said Friday.

Energy imports were 92,480,000 tons oil equivalent (TOE) last year, or 91.2 percent of the 103,378,000 TOE of energy consumed.

Comparable figures for 1989 are Japan, 87 percent: Italy, 86.1 percent: Spain, 68.6 percent: France, 53.6 percent: Germany, 51.3 percent: the United States, 17.4 percent: and Britain, 3.8 percent.

Korea's high rate was due to the fact that while consumption of local coal is declining sharply, the use of oil, gas and atomic power is steadily increasing, the ministry said.

Dependency is expected to reach 92.9 percent this year.

Envoy Says Yeltsin Visit Slated for September

SK2703103392 Seoul CHUNGANG ILBO
in Korean 27 Mar 92 p 1

[By correspondent Kim Sok-hwan from Moscow]

[Text] Russian President Boris Yeltsin is to make a three-day, two-night visit to Korea between 1 and 10 September this year.

On 26 March, Hong Sun-yong, ROK ambassador to Russia, said this while officially confirming that he was discussing with the Russian Government President Yeltsin's itinerary in his visit to Korea.

Nuclear Issue, Ties Discussed at Tokyo Talks

SK2603132992 Seoul YONHAP in English
1255 GMT 26 Mar 92

[Text] Tokyo, March 26 (YONHAP)—South Korea has urged Japan to show sincerity in settling the "comfort girl" issue as part of its effort to erect a sound relationship between the two countries.

The urge was made in the ninth high-level policy consultative meeting convened here Thursday to discuss a wide range of policy issues pending between the two countries.

The South Korean delegation, headed by First Assistant Foreign Minister Chang Man-sun, called for Japan's sincere effort to settle the "comfort girl" issue with a view to establishing a future- oriented relationship based on "better understanding" of the past history.

The Korean officials held in high regard Japan's insistence on North Korea's renunciation of its nuclear program as a precondition for its diplomatic normalization with North Korea.

They reiterated Seoul's intention to solve the nuclear issue through inter-Korean dialogue by saying, "the South-North (Korean) dialogue is essential for a bid to get North Korea to give up its nuclear program."

Japan sought Korea's understanding with regard to Japan's plan to send troops to the U.N. peace-keeping operations (PKO) reasoning that its participation in the PKO would not lead to Japan's becoming a military power.

South Korean officials coolly responded, saying, "we hope to see Japan provide positive contributions economically."

Economic Cooperation Pact Signed With Angola

SK2703101792 Seoul YONHAP in English
0934 GMT 27 Mar 92

[Text] Seoul, March 27 (OANA-YONHAP)—South Korea and Angola initialed an economy, science and technology cooperation pact Friday.

The initialing came after a meeting between South Korean Foreign Minister Yi Sang-ok and his visiting Angolan counterpart Pedro de Castro dos Santos Van-Dunem.

The two foreign ministers explained the political situations in and around their countries, Ministry officials said.

Van-Dunem came to Seoul Friday for a five-day visit and will meet with South Korean President No Tae-u during his stay. South Korea and Angola normalized relations on Jan. 1 this year.

Van-Dunem requested South Korea's aid in easing food shortage in Angola, extending tied loans and building social infrastructure.

Yi said he will consider aid from South Korea's economic development cooperation fund after consultation with other ministries.

He also said he will encourage South Korean businessmen to tap into Angolan market.

Government Plan for Women's Development Criticized

SK2603125392 Seoul YONHAP in English 0851 GMT 26 Mar 92

[Text] Seoul, March 26 (YONHAP)—The government has mapped out a five-year plan for women's development, the first since the Republic was formed, but critics say it falls far short of reflecting the will of women for social participation.

The Korea Women Development Institute, which drafted the plan last September, wanted to make it compulsory for government offices and other public institutions to set aside a certain portion of jobs for women, but the final plan has downgraded the obligation to a suggestion.

The Institute tried to introduce guidelines on part-time work because more and more women were getting part-time jobs, but the final plan does not have such rules.

The initial plan sought to install a committee for equal employment for men and women, but the final plan only mandates a regular meeting for equality on the job front.

The plan, which will be implemented as part of the government's seventh five-year socio-economic plan (1992-96), also fails to reflect the wishes of women's organizations to nominate a certain number of women for seats in the National Assembly and on local councils.

Kim Chong-cha, vice director of the Institute, said it was regrettable that the government failed to work out concrete steps to accommodate women job-seekers when an increasing number of women are searching for jobs.

The rate of employment is higher among women with less education. In 1990, the rate of employment was 34 percent among college graduates, 87 percent among junior college graduates and 90 percent among high school graduates.

Women's organizations say the equal employment committee is needed to give practical backing to the law on employment of men and women, which is rather like a declaration.

The organizations also say that women's quotas should be set for candidates running for local council and National Assembly seats. No woman was elected in Tuesday's elections for the 14th National Assembly.

Burma

Armed Forces Day Parade, Saw Maung Speech Noted

[Editorial Report] Rangoon Burma Television Network in Burmese at 2330 GMT on 26 March begins carrying special live coverage of the annual Armed Forces Day parade in Rangoon. The announcer begins by describing the historical significance of the 47th Armed Forces Day and at 2335 GMT reads out the list of military personnel who have been recognized in the Defense Services chief's honors list.

At 2344 GMT members of the three arms of the Defense Services are shown performing military drills in the Myoma Grounds and at 2352 GMT the troops in five columns—named after famous soldier kings and military leaders of Burma: Anawratha, Kyansitha, Bayinnaung, Aung Zeya and Aung San—are seen marching out of Myoma Grounds toward Resistance Park, the venue for the Armed Forces Day parade. Spectators line the route of the march and some are shown presenting garlands to the soldiers and sprinkling scented water and popcorn which is associated with auspiciousness. The soldiers sing martial songs as they march and the commentator praises the Defense Services.

At 0005 GMT on 27 March the state military band is shown marching into Resistance Park and taking up its position in the parade ground, followed by military columns marching into the park at 0010 GMT. While waiting for Saw Maung to arrive the commentator describes the political and military achievements of the Defense Services.

The 47th Armed Forces Day program begins following the arrival of the motorcade carrying Senior General Saw Maung at the parade grounds at 0057 GMT. The Mercedes limousine carrying Saw Maung is shown arriving in a motorcade of open military jeeps carrying armed soldiers. Soon after his arrival Saw Maung is seen receiving the salute from the dais. At 0059 GMT Saw Maung is shown inspecting the troops. At 0107 GMT Saw Maung returns to the dais. This is followed by the salute to the national flag and the fallen leaders and soldiers, then taking the oath of allegiance.

Saw Maung begins his Armed Forces Day address at 0111 by explaining that today's military parade honors the beginning of the resistance movement against the fascists 47 years ago. He says: "Events of the past—whether good or bad—have an effect on the future" and past events must be analyzed objectively to prepare for the future. He recalls the "imperialist aggression and expansion" in the country's history, citing the British annexation of Burma in the last century after they realized the strategic and geopolitical position of the country. He recalls in detail how the British "deliberately carried out provocations" against the Burmese king in Assam, Manipur, and Rakhine regions which eventually led to military confrontation and the first Anglo-Burmese War of 1824. He cites historical events which reflect the "divisive and manipulative tactics of the imperialists." He then notes the work of the Historical Commission in compiling the country's history. He goes on to recall Portuguese colonialist activities in India and Burma.

He recalls the traditional belief in kingship and royal patronage of Buddhism and the removal of kingship by the "imperialists." He then discusses the "atrocities and exploitation by Japanese fascism" in Burma in the 1940's.

Next he defines what constitutes the country's independence and holds the "British imperialists" responsible for division among the indigenous races and the insurgency in Burma today. He says the military government is paving and guiding the way toward democracy, and notes that at such a time of political reform there is no excuse to take up arms against the government. He calls on Karen, Karenni, and Kachin insurgents "to give up the policy of armed insurrection" and to follow the example of the Wa, Kokang, Shan, and some Kachin nationals and "to respond to our goodwill."

Speaking on the current political situation, he says "systematic endeavors should be made for the emergence of a new state constitution" and criticizes the lack of specific policies and principles among the political parties. He next explains Burma's attitude toward major powers and neighboring countries. In conclusion, he calls on the Defense Services to uphold the noble tradition and principles of the Defense Services, observe military discipline and regulations, crush all internal and external threats, and maintain the country's independence and sovereignty.

Saw Maung concludes his speech at 0241 GMT. He is then shown receiving the salute from 3,308 soldiers of the military columns in the parade grounds before leaving the parade grounds at 0306 GMT. The live telecast of the Armed Forces Day parade ends at 0325 GMT.

Yearly Battle Report for East, Southeast

BK2603091992 Rangoon Burma Television Network in Burmese 1330 GMT 25 Mar 92

[Text] Members of the Defense Services, who are working hand-in-hand with the people in fighting valiantly without regard for their lives, are winning victories in every battle in various military commands. Members of the Defense Services are fighting with the aim of crushing the terrorist insurgents who are disturbing through various means the people who wish to live securely and peacefully under the rule of law.

Eastern Military Command: The Defense Services, hand-in-hand with the people, launched Operation Kyaw Naing Soe during which 12 major battles and 240 skirmishes were fought between 21 March 1991 and 20 March 1992.

On 2 July 1991 a small military column of the Defense Services during a mopping-up operation clashed with about 80 terrorist insurgents from the KNLP [Kayah

New Land Party] and ABSDF [All-Burma Students Democratic Front] near Hanpo village (Hego) Township. Ten bodies of insurgents, 11 light weapons, and two (Icom) walkie-talkies were recovered and one of our soldiers sacrificed his life for the country.

On 3 September 1991 military columns under the command of the Eastern Military Command attacked the combined force of about 150 insurgents from the KNPP [Karenni National Progressive Party] and KNU [Karen National Union] in Htita and Pheta region in Pasawng Township resulting in five major battles and 27 skirmishes. The Defense Services were able to occupy and take control of the entire Htita and Pheta region on 10 September 1991. During the clashes 10 bodies of insurgents, five assorted weapons, one walkie-talkie, 734 tons of teak, one bulldozer, one 10-wheeled truck, and three engines were seized by the Defense Services and 31 of our soldiers, including one officer, sacrificed their lives for the country.

During the major battles and skirmishes fought in the Eastern Military Command between 21 March 1991 and 20 March 1992, 144 bodies of insurgents were recovered, 35 were captured, and 65 surrendered. The following weapons and items were seized from the enemy: 181 assorted weapons, 8,713 rounds of light weapons ammunition, 379 magazines, 195 mines, 12.55 viss [one viss equals 1.6 kg] of explosives, eight walkie-talkies, four engines, 15 mules and horses, 2.1645 kg of heroin, 104.25 kg of opium, 1,055.25 viss of jade, 192,505 kyats in cash, 400 baskets of paddy, one bulldozer, two motor vehicles, 587 head of cattle, 1,565 teak logs, and five motorcycles.

During the operation, three officers and 89 soldiers sacrificed their lives for the country and 10 officers and 262 soldiers were wounded.

Southeast Military Command: The Defense Services, hand-in-hand with the people, launched Operation Naga Min and Operation Thanhlyet during which 94 major battles and 498 skirmishes were fought between 21 March 1991 and 20 March 1992 in the Southeast Military Command.

On 19 December 1991 our military columns attacked a camp of about 60 KU insurgents in Nateindaung along the Myanmar [Burma]-Thai border in Yebyu Township in Tenasserim Division. The enemy camp was captured after four battles, including three major battles.

During the clashes nine dead bodies of enemy troops, 10 assorted weapons, 36 assorted projectiles, and ammunition were recovered. There were no casualties on our side.

On 18 February 1992 our military columns attacked the Ywahelu Camp of about 200 KNU, ABSDF, and Muslim insurgents along the border region in Bogale Township in Tenasserim Division. The enemy camp was captured after 10 major battles and 20 skirmishes. During the clashes 21 dead bodies of enemy troops, 67 assorted light weapons, 130 assorted mines, 2,560 rounds of light weapons, one bulldozer, one earth digging machine, one small car, one generator, 3,000 logs, and 80 huts were recovered, and seven of our soldiers sacrificed their lives for the country and 22 soldiers were wounded.

Military columns under the Southeast Military Command attacked 200 insurgents at the headquarters of the KNU 6th Brigade and the 204th, 205th, and 206th Battalions of the ABSDF insurgents in Azin region, Kyaikton, Kya-in Seikkyi in Karen State between 22 December 1991 and 5 February 1992. Three major battles and 20 skirmishes were fought during the campaign and 36 dead bodies of insurgent troops were recovered and two captured alive, while 16 light weapons, 1,590 rounds of light weapons ammunition, 62 assorted projectiles, documents, and photographs were seized. On our side 25 soldiers and five porters sacrificed their lives and 92 soldiers and 42 porters were wounded.

On 4 February 1992 our military columns attacked the Yegyaw Camp of about 250 KNU insurgents and the entire camp fell after a fierce battle which lasted from 0400 to 1143. During the campaign against the enemy camp 28 bodies of enemy troops, 34 weapons, including one 82-mm mortar, 247 projectiles, and 10,300 rounds of ammunition were seized and from our side one officer and one soldier sacrificed their lives for the country, and two officers and 16 soldiers were wounded.

On 5 March 1992 our columns attacked and crushed the Thubina Camp of KNU insurgents in the Southeast Military Command. The enemy camp and positions were captured after a fierce battle was fought with about 200 insurgents from 0700 to 1130. During the campaign 17 bodies of enemy troops, 1,100 rounds of ammunition, and projectiles were captured from the enemy and from our side. One soldier sacrificed his life for the country and 16 soldiers were wounded.

As part of the campaign to attack and crush the KNU central headquarters at Manerplaw, on 9 March 1992 our military columns began attacking the strongly-entrenched enemy position at Point 4044 Hill where 500 insurgents were based. The enemy's Point 4044 Hill fell at 1115 on 14 March.

In the campaign 155 bodies of enemy troops, 68 assorted weapons, 168 projectiles, 200 assorted mines, and 20,000 rounds of ammunition were seized from the enemy, and on our side 19 soldiers sacrificed their lives for the country and 27 soldiers were wounded.

In a continuing campaign against enemy positions around the Point 4044 Hill, our military columns captured Pinmagon and Point 3610 Hill at 1430 on 17 March 1992. During the campaign 33 bodies of the enemy, 37 mines, and 1,910 rounds of assorted ammunition were recovered. From our side one soldier sacrificed his life for the country and nine soldiers were wounded.

During the major battles and skirmishes fought between 21 March 1991 and 22 March 1992 in the Southeast

Military Command, 497 bodies of insurgent troops were recovered, 27 were captured, and 276 surrendered. The following were captured from the enemy: 585 assorted weapons, including a 60-mm gun, 704 rounds of heavy weapons ammunition, 56,406 rounds of light ammunition, 313 magazines, 500 assorted mines, 185 hand grenades, 116 sticks of explosives, one television, 44 engines, 106 mules and horses, 50.24 viss of jade, 193,965 kyats in cash, 34,920 Thai baht in cash, 2,211 sacks of rice, eight earth-moving machines, 108 head of cattle, three elephants, 6,427 teak logs, two generators, and two motorcycles. On our side, three officers and 119 soldiers sacrificed their lives for the country and four officers and 416 soldiers were wounded.

Brunei, Malaysia & Singapore

Malaysia

Singapore Vehicle Entry Permits Discussed

BK2503130592 Kuala Lumpur NEW STRAITS TIMES in English 24 Mar 92 p 10

[Editorial: "Talk to Us Friend"]

[Text] It is more than expressing the usual obligatory diplomatic niceties to observe that Malaysia and Singapore have had a strong, friendly relationship; one braided with many social, cultural, economic and political ties and rooted in the years when both countries shared a common history and development. Physical proximity and a commonality of interests prompt new links and a constant renewal of old—the long supply of water; the turning on of natural gas supply earlier this year; the planning of a second link, etc.

Which is why it is regrettable when one party adopts policies or takes action that has an adverse effect on the other—without even bothering to consult or inform the other beforehand. Wouldn't a more sensitive awareness of someone else's concerns reduce the chances of one irritating point reminding people of a rash of other niggling problems? Just because Malaysia and Singapore are old friends does not mean the friendship should be taken for granted. Even though the relationship will probably survive the charged emotions of any one fuss, it does not mean Singapore should keep testing our patience and tolerance.

Singapore has ruffled feathers recently with the imposition of its Vehicle Entry Permits for Malaysian-registered cars and its Additional Registration Fee for motorcycles. To some civil servants in Singapore, it may have looked like a logical move to help reduce the number of cars on Singapore's roads, but those pinheads may not have calculated—(better this scenario than the thought that they didn't give a damn)—the impact it would have on the thousands of Malaysians who work in Singapore. A fee amounting to 15 per cent of the value of the bike? S$340 [Singapore dollars] a month to drive in Singapore? Isn't that a bit much? We welcome the decision to suspend the ruling pending discussions with Malaysian authorities, and suggest that meetings prior to the implementation of any regulation which may affect the citizens of either country should become standard practice.

Singapore has the right to tax Malaysian vehicles. It is perfectly free to impose petty rulings governing the amount of petrol in a Singapore car when it comes across. But Malaysia does not have to stomach the constant reminders of Singaporean insensitivity and arrogance. Planes, both commercial and military, from Singapore regularly use Malaysian airspace. We are not exactly comforted by the fact that on occasions those planes have come plummeting down. We are not thrilled that air rescue personnel have entered Malaysia without a by-your-leave, but the fact of an emergency and a desire to be helpful have curbed any waspish response... so far.

What about the unilateral decision to shift immigration and customs clearance facilities for KTM [Malayan Railways] passengers and cargo to Woodlands? In an agreement signed in November 1990 between then Prime Minister Lee Kuan Yew and former Finance Minister Tun Daim Zainuddin, the site of the new KTM station was to be in Bukit Timah. The new man at the helm in Singapore may have had a change of mind, but the least Malaysia expects is to have been consulted about the relocation.

The Malaysian Government has sometimes risked the unhappiness of its own people in making unpopular decisions favouring friendship with our neighbours. The least we expect from such support is an acknowledgement that we have our own opinions about various matters of common interest and that our opinions should matter.

Paper Urges ASEAN To Tackle Drug Problem

BK2603155992 Kuala Lumpur NEW STRAITS TIMES in English 25 Mar 92 p 10

[Editorial: "Finding the Answer Together"]

[Text] ASEAN heads are going all out to curtail drug abuse in the region. Alarm jangled in their message that the future of ASEAN would be at stake unless immediate joint measures are taken to muzzle the drug menace. The same urgency underlined most of the statements made at the ASEAN Non-Government Organisations' drug abuse workshop.

President Suharto of Indonesia addressed the basis of ASEAN's concern. He said, "We are particularly concerned over the number of young people becoming drug addicts. This situation will create social instability and affect the national and regional resilience of ASEAN. The future of a nation is determined by the type of young generation we prepare today."

How exactly are we nurturing the youngsters who will inherit our country and the region? If the present indications are anything to go by, we are not doing well at all. The signs are beginning to look bleaker, day by day. Crime is escalating. Violence is growing uglier and more frequent everyday. There is a noticeable streak of wanton materialism among our young.

Just recently there was a report of a child who had been used as a drug trafficker by her own mother. All these factors are indications that we are sadly lacking in our nurturing of our young. One must not equate bribery, in any way, with the sometimes painful process of raising the young. The fact that children are exposed to such a facet of corruption at their tender years does not speak well of their upbringing.

Discipline must be merged with parental love if one desires to bring up a child who is capable of loving and caring for others. One who will have a spontaneous consideration for others. One who will get along with and be loved by society. Because spoilt children grow up to be misfits, unloved and spurned by others.

Lollipops or whatever it is that the child wants in order to stop his or her crying or tantrums, does not teach selfless consideration for others. It does, however, instill a habit of inconveniencing others solely for one's benefit. It also encourages a materialistic tendency. Children must be taught the whys and hows of right and wrong. They must be nurtured spiritually and be taught about God.

A spiritual foundation is necessary if a child is to have more in-built resistance to drugs and other aberrant ebhaviour. That must be emphasised if we are to raise children who would not be susceptible to drugs. Love and attention must also be present.

Perhaps studies could be made on the type of children who fall prey to drugs and those who are able to resist such influences. Is it because of ignorance about drugs? Of a lack of awareness on their dangers, their ability to hook the weak, the aimless and the delinquent?

Could such an education make more of a difference? Could a society and an upbringing that focuses on spiritual values make a difference? Is the confusion that is evident in our society today, a reflection of the spiritual values that people have sacrificed in the name of materialism? Of a self-centred kind of love?

Whatever it is that lies at the root of the problem, it is encouraging to note that ASEAN is tackling the problem together. It is in unity that we are able to find strength. Together, perhaps we might be able to find the solution to this worldwide problem.

Singapore

South Africa's Botha Comments on Apartheid

BK2603125892 Hong Kong AFP in English 1248 GMT 26 Mar 92

[Text] Singapore, March 26 (AFP)—The future of South Africa under majority rule was now in the hands of its black leaders, South African Foreign Minister R.F. "Pik" Botha declared here Thursday.

The "end of apartheid was very significant, but more significant would be the role of the black leaders," said Botha, here on a three-day visit as part of a swing through Asia.

But, he added, there were "too many differences within the black political parties, and until they resolve their differences nothing can be achieved."

He singled out the South Africa Communist Party (SACP) as a major obstacle to majority rule, as it was still bent on "carrying on with its violence."

Botha said the collapse of communism in Eastern Europe and the breakup of the Soviet Union had to impress on SACP leaders that communism was dead and that they should change their course of action.

Describing the recent referendum in which whites voted in favour of ending apartheid and accepting majority rule as proposed by his ruling National Party (NP), Botha said, "We (the NP) have changed... I have changed... we have realised that apartheid is wrong and it cannot continue any more. We recommended to the white population to have it abolished.

"They gave us overwhelming support, with 70 percent accepting our policies. It is now up to Nelson Mandela (leader of the African National Congress) to get the communist party to also change its policy of violence and play a part in the democratic process," the foreign minister said.

Botha said that although he was very keen to see majority rule introduced as soon as possible, he was not prepared to state any specific period.

"Much will depend on the black leaders. I am hopeful it could be very soon," he said, adding that talks were now going on with 19 political parties to implement a new constitution.

"The Bill of Rights... will be part of the new constitution and I can state very confidently that no community, black, coloured or Indian would be discriminated (against)," he said.

The foreign minister predicted that his National Party, now confined only to whites, would "very soon become a party with whites in the minority."

"We are going to open our doors to non-whites to join, and I can assure you that the whites would find themselves in the minority in the not too distant future," Botha said.

He added that the leaders of Japan, South Korea and Taiwan, whom he had met before coming to Singapore, had welcomed the changes in South Africa and accepted his assurances of implementing majority rule as soon as possible.

While in Singapore, Botha said he briefed Prime Minister Goh Chok Tong on the latest political developments in Johannesburg and expressed his country's desire to have trade and diplomatic exchanges.

Asked if diplomatic ties between Singapore and South Africa would be established soon, Botha said, "it is important, but not that important to have it immediately. Singapore has already appointed a special representative and we are going to do so soon.

"We are looking for an office for a representative and establishing close links would be good enough for the present," Both said.

He added that South Africa was keen to tap Singapore's expertise in public housing and would be sending officials here to study this subject.

Botha also met Senior Minister Lee Kuan Yew, but declined to disclose any details of their talks. He described Lee as "an able leader who has done much for Singapore."

Singapore earlier this month lifted a ban on trade with South Africa and last week appointed a senior retired civil servant as its special representative to Johannesburg.

Two-way trade between the two countries anounted to 300 million dollars at the end of 1991.

Botha is due to leave for home Friday.

Cambodia

Sihanouk Speaks at School Opening 24 Mar

BK2603130192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 25 Mar 92

[Summary from poor reception] On the morning of 24 March, the second day of Samdech Euv [prince father] Norodom Sihanouk and the princess consort's visit to Siem Reap-Oddar Meanchey Province, a ceremony was held in Puok District for the prince to inaugurate a high school and visit his children and grandchildren in the district.

"Accompanied by His Excellency [H.E.] Chea Sim, chairman of the Cambodian People's Party [CPP] Central Committee and of both the National Assembly and the front's National Council, and his wife; H.E. Chea Soth, Standing Committee member of the CPP Central Committee; H.E. General Tie Banh, Standing Committee member of the CPP Central Committee, vice chairman of the Council of Ministers, minister of national defense, and member of the Cambodian Supreme National Council [SNC]; H.E. Kong Sam-ol, member of the CPP Central Committee, vice chairman of the Council of Ministers, and minister of the Cabinet of the Council of Ministers; and their excellencies, the ambassadors, and embassy representatives accredited to Cambodia, as well as several other officials and personalities, Samdech Euv's motorcade left his residence and arrived at the gate of Puok High School at 0840 to thunderous welcoming cheers."

Samdech Euv was welcomed there by "Nhim Vanda, CPP Central Committee member and trade minister; Neou Sam, CPP Central Committee member and chairman of both the provincial party and people's committees; Hang Chuon, minister of information and culture; Him Chhem, deputy minister of information and culture; Lieutenant Gen. Loy Sophat and Nuon Saret, deputy ministers of national security; Lt.Gen. (Tum Samnang), chief of the Defense Ministry's General Logistics Department; Lt. Gen. Long Sopheap, commander of the 4th Military Region; Min Khin, deputy minister of religious affairs; and Van Sun-heng, deputy director general of the Voice of the Cambodian People's Radio."

The crowd warmly and lovingly cheered and applauded the smiling and gesturing Samdech Euv and princess, who walked on a red carpet toward the reception area where 12 Buddhist monks were waiting for them. After receiving the blessings chanted by the monks and rewarding them with gifts, the royal couple and all present at the ceremony saluted the colors of the SNC. Neou Sam then made a welcoming speech and presented a report detailing the construction of the High School.

[Begin Neou Sam recording] We deem it most fortunate to be reunited with our beloved and most revered Samdech Euv and Samdech Me [princess mother] after a long separation. We most gratefully welcome your visit to our province. "We wish you, Samdech Euv and Samdech Me, the best of health and full success in your visit to Siem Reap-Oddar Meanchey Province, as well as in your glorious royal crusade in our beloved Angkorian motherland." On this solemn occasion we would like to voice firm support for the decree appointing Samdech Euv Cambodia's head of state as in the time of Sangkum Reas Niyum [Sihanouk's pre-1970 Popular Socialist Party] and for the alliance forged between the CPP and FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia].

We wish you, Samdech Euv and Samdech Me, long life to continue being the cool shade for all of us, your children and grandchildren. Since we have not heard you speak for so long, we invite you, Samdech Euv, to please make an address to your children, grandchildren, and great-grandchildren now. Long live Samdech Euv. [end recording, followed by musical interlude]

[Begin Sihanouk recording] "My most profound respects to the Supreme Patriarch and the venerable Buddhist clergy of glorious Siem Reap Province. I bow most respectfully to all grandmothers, grandfathers, uncles, aunts, brothers, sisters, children, grandchildren, and great-grandchildren who are most beloved and missed by Samdech Euv and Samdech Me. My respects to H.E. Chea Sim and Madame, who have kindly organized this visit making me fortunate to come to this beloved and missed province of Siem Reap. My respects to all Their Excellencies, madames, ladies, gentlemen, and mistresses, the distinguished leaders in the CPP and State of Cambodia [SOC] Government who have been working for this visit I am paying to Siem Reap, and who are the distinguished members of the CPP and SOC Government. Respects to all distinguished members of the diplomatic corps of countries that are great friends of Cambodia and distinguished representatives of [words indistinct] and humanitarian organizations that have come in to help and assist our people in Siem Reap Province."

First of all, I would like to thank Your Highness the Samdech Supreme Patriarch for accompanying me to Siem Reap and all venerable monks for the prayer that was chanted just now. By the power of that prayer, I hope all our people will live happily in peace and prosperity.

It is an honor to make a speech to all of you, my beloved children and grandchildren who have turned up here in massive numbers to greet me. According to the estimates of H.E. Chea Sim, no less than 100,000 people in Siem Reap-Oddar Meanchey have come to prepare this great reception for Samdech Euv under the excellent leadership of the CPP and SOC Government with the help of the governor of Siem Reap Province and many excellencies from Phnom Penh, such as H.E. Kong Sam-ol, H.E. Chea Soth, H.E. Tie Banh, and H.E. Nhim Vanda present here on this platform, who have given a hand in organizing the reception on behalf of H.E. Chairman Chea Sim, H.E. Chairman Hun Sen, and H.E. Chairman Heng Samrin.

This grand reception fills me with delight. After being separated from you for 20 years, I am now with you again and we will never part company again. We will live together under the shade of Buddhism. I also take this opportunity to thank the representatives of Islam who are present on this occasion as well.

Meeting all of you, my children, always makes me think of the time of Sangkum Reas Niyum when we worked together to defend and build an independent and neutral Cambodia in an oasis of peace. In those days I inaugurated many things in Siem Reap. I thank all of you for being fair in not forgetting the good things that I have done to the country and I thank the CPP and SOC for pledging to follow Sangkum Reas Niyum's line to make Cambodia prosper and even advance faster. "This gives me great satisfaction with and admiration for the CPP and SOC Government for which I have great esteem and respect." I thank the CPP and SOC Government with Their Excellencies Chea Sim, Hun Sen, and Heng Samrin as the enlightened leaders again and again for making it possible for me to return to the motherland.

I do not have to go into detail, as most of you have listened to the radio or read the newspapers about my past speeches, but as you know I could not see you in the past because of the coup d'etat staged by Mr. Lon Nol and Prince Sirik Matak. Again, I was prevented from making contacts with you by Pol Pot and Ieng Sary. You know all the rest.

In his speech the governor of Siem Reap mentioned many Sangkum Reas Niyum realizations in the public health and educational fields. "Now I am most pleased with the CPP and SOC Government's decision to carry on my mission after national construction was suspended during the period from 1970 to 1978." From scratch, the CPP and SOC started to rebuild the nation as much as possible from January 1979 until today. They have made gigantic efforts to revive our nation under the shade of Buddhism.

As I said in Siem Reap yesterday, the revival of religions is an excellent accomplishment. Without Buddhism Cambodia would lose its soul. Thanks to H.E. Chea Sim, we now can live again in the shade of Buddhism. I thank H.E. Chea Sim again in Puok for this achievement. Buddhism is a guarantee for peace. Our Buddhist monks play an important role in consolidating peace and building the nation. With peace our people can work to improve their living conditions and with national construction we can improve the health care and education of the people. Health care is necessary for national defense and construction as well. Therefore, it is admirable to strive to increase the number of doctors, nurses, and hospitals. Schools are also very important, for our youths are our nation's future.

With the educated young people, we can be sure of reliving our Angkorian glory. The water conservancy policy of the Angkorian period as well as the Sangkum Reas Niyum period was proof of the advanced state of our knowledge. It is not flattery to say that what the CPP has done is necessary and useful and a guarantee for the future of our country and people.

Let us talk about peace and the Paris agreement of 23 October. Allow me to tell you one thing: We must rely on our own efforts, as my motto under Sangkum Reas Niyum went: Cambodia helps itself. We helped ourselves in the past when we fought for independence from the French and got it in 1953. We succeeded in keeping our nation whole after fighting attempts to divide it in Geneva in 1954. We were the only Indochinese state that was not divided into two parts.

Allow me to tell you about my talks with the CPP to achieve national reconciliation, end war, and bring peace back to the country. It was not the 23 October Paris agreement, but the inter-Cambodian talks that launched the peace process in Cambodia. I started it all by contacting H.E. Hun Sen in 1987, telling him that it was time to talk and end the factional fighting. The foreigners could never help us without us helping ourselves. On behalf of H.E. Chea Sim of the CPP and of the SOC, H.E. Hun Sen met with me in France in 1987. Talks were never easy. We met again and again until 1990. And after the Jakarta meetings with the help of President Suharto, in 1991 we decided to stop fighting and stop receiving foreign military aid. At first, only FUNCINPEC and the CPP were involved in these accords. Later on the other factions were persuaded to join because our people were suffering too much from the ongoing war. All four Cambodian factions then announced a cease-fire on 24 June 1991. After that the Paris conference resumed and the 23 October agreement was signed. As a result of that a large UN mission will be with us for 16 months and a many thousand-strong peacekeeping force will come and help us keep peace.

There is now no more fighting in Cambodia. We are now peaceful and happy like in the past. "We will unite in order to transform our country into an oasis of peace at all costs." In his speech at the reception in Siem Reap last night, H.E. Chea Sim urged me to reunite my children into a single body and to reconcile all factions. "I thank you, Your Excellency Chea Sim, for your party is a big party. You can very well rely on your own without reconciliation. Although your party is a major one, you have pity for the nation and have the national interest at heart. Thus, the three other factions should be reconciled and reunited in accordance with the conditions of the 23 October 1991 Paris agreement."

I am happy to meet with some children who have suffered from the war, who were former prisoners of war or detainees because of political clashes. Since my return the CPP and SOC Government have greatly assisted me in releasing prisoners and permitting them to become free citizens again. I am thus happy that here in Puok I can see and set you free. I have helped release a total of almost 1,000 prisoners now. Soon some will come from Koh Kong to be set free in Phnom Penh. Consequently, the CPP and SOC have released all prisoners. "I take this opportunity to praise and thank them. I especially thank the general deputy interior minister who arrived yesterday. We will see each other again tonight. And I hereby release my children and grandchildren. I have also urged other factions to imitate the CPP by releasing all remaing prisoners, if any of them still remain, so that they can be free."

As for you who are now free citizens, you can go anywhere you want. If you stay with the CPP, the CPP will help you. If you want to go to other zones, the Red Cross will help you get there.

I welcome the UN officers who have just arrived here to join us in this ceremony. "I am in the process of talking about the UN presence to help us achieve peace and to hold free elections next year so we can have our National Assembly and a new government."

I am not going to dwell too long on all of that. In conclusion, we now enter a new era of national reconciliation, revival of religions, and peace as in the past. We now live again under the CPP and we are sharing weal and woe together. I hope and am sure that we will share more weal than woe together. Sixteen months from now the UN forces will leave and we will have parliament and a new government. We will then have to support ourselves. We should achieve reconciliation now. "The CPP and SOC Government have made a historic contribution to national reconciliation, reunification, and the end of fighting."

Those of you old enough must surely remember the fruits of unity. I am most happy to see that we are having unity again under the shade of Buddhism and Islam. "I am most pleased to see that all of you follow the good policy of H.E. Chairman Chea Sim and the CPP and SOC Government. Thank you. I rely on all of you in Siem Reap and throughout Cambodia to remain always united, work to preserve our independence and peace, and build the nation together until we achieve total peace, prosperity, and happiness in a great Cambodian family. I appeal to all factions, to any factions that do not readily abide by the Paris agreement by causing insecurity in certain areas, such as in Kompong Thom Province. Our people in Kompong Thom love solidarity and the ideal of peace very much. However, they sometimes still suffer accidents because of certain people. Therefore, from Puok District I appeal to all factions to strictly adhere to and abide by the 23 October 1991 Paris agreement. Respect it not partially, not verbally, not on paper only, but in deed. Respect it forever and in all its aspects. I make this appeal from this noble district of Puok. Please do as Samdech Euv asks you and we will have success for the superior interest of the Cambodian motherland, our Angkorian motherland and for the superior interest, for the happiness and prosperity of all grandmothers, grandfathers, uncles, aunts, brothers, sisters, children, and grandchildren."

This high school is a distinguished achievement of the CPP. "It symbolizes the development of a new era for Cambodia under the leadership of the CPP and SOC Government." The CPP and SOC Government have donated 3 million riel to the Puok High School and I also would like to add my personal contribution worth $500.

May everybody here, excellencies, venerable, and compatriots included, enjoy the five blessings of Lord Buddha. [end recording]

Samdech Euv and his delegation left the school at 1030 and proceeded to visit a nearby refugee center and rehabilitation center before returning to the provincial town.

Firm Adherence to Paris Agreement Urged

BK2703035092 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 26 Mar 92

["Article:" "It Is Necessary To Stand Firm on the 23 October Paris Agreement"]

[Text] The 23 October agreement was the outcome of the efforts made for several years by the Cambodian people, Southeast Asian and world people, and the United Nations. Enormous efforts physically and mentally were made and much time was spent on working out this agreement. All contents, wordings, and aspects were thoroughly examined, discussed, and refined before turning them into articles and points in this agreement by taking into consideration the interests of all parties concerned. Therefore, this agreement was not simply written out at will by anyone. This is the point that prompts the Cambodian nation, people, and national resistance forces to firmly abide by the 23 October agreement and they have been struggling arduously for the full implementation of this agreement according to its real essence.

On the contrary, if the Vietnamese aggressors are allowed to trample upon this agreement at will by choosing to implement or not to implement any points as they wish, the war in Cambodia cannot be ended. In that case, Cambodia will become a second Afghanistan or Lebanon right in the Cambodian land. Therefore, the problem of Vietnamese war of aggression against Cambodia can be settled only with all parties standing firm on the agreement for comprehensive solution to Cambodian problem, that is:

1. The United Nations and the four Cambodian factions jointly supervise the total withdrawal of Vietnamese aggressor forces from Cambodia in line with Article Six in the second annex of the agreement.

2. The United Nations and the four Cambodian factions jointly supervise the dismantling of the four Cambodian armed forces simultaneously with the supervision on the withdrawal of Vietnamese forces from Cambodia.

Kompong Thom Residents Protest SRV Shelling

BK2703063092 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 26 Mar 92

[Protest note from people in Stoung District of Kompong Thom Province on Vietnamese aggressors' shelling and executing inhabitants in this district—read by announcer]

[Text] We would like to lodge this protest to the UN Transitional Authority in Cambodia [UNTAC] and the Supreme National Council [SNC], which are the legitimate organizations in Cambodia during the transitional period, and to the special envoy of the UN secretary general on the following matters;

1. On 20 March 1992, the Vietnamese aggressors and the Phnom Penh side's soldiers fired several 130-mm multiple rockets into Ph'deak, Sramar, Prahut, and (Smanh), killing 30 inhabitants and wounding 48 others. Among those killed or wounded were eight children and five pregnant women. Many oxen and buffaloes were killed and crops of our people were destroyed.

2. Also on 20 March, many Vietnamese aggressors together with the Phnom Penh soldiers forced their way into the above villages and arrested 200 families of over 1,000 members who were either jailed or executed after the arrest.

3. We would like to call on the UNTAC, SNC, and the special envoy of the UN secretary general to take strict and effective measures to immediately resolve this gross and barbarous act in violation of our people's democratic rights.

4. We propose that this problem can be resolved only by:

First, the UNTAC and SNC jointly supervising the withdrawal of all categories of Vietnamese aggressor forces from Cambodia in line with the 23 October 1991 Paris agreement.

Second, the dismantling of the Armed Forces of all Cambodian factions, 70 percent in the preliminary phase and 100 percent afterward, to prevent the Vietnamese aggressor forces from hiding in the Phnom Penh army.

[Dated] 20 March 1992

[Signed] The people of Stoung District

Generals Refuse To Halt Fighting in Central Areas

BK2703062892 Hong Kong AFP in English 0605 GMT 27 Mar 92

[By Sheri Prasso]

[Text] Phnom Penh, March 27 (AFP)—Cambodia's committee of generals, meeting Friday under United Nations direction, refused for the second week in a row to stop their fighting in central Cambodia.

"It didn't progress as much as I had hoped," said Lieutenant General John Sanderson, head of the U.N. peacekeeping mission's military forces, who presided over the meeting.

Instead, Khmer Rouge and Phnom Penh government forces spent the meeting trying to exchange accusations and assess blame, Sanderson said.

The two sides have had regular clashes in Kompong Thom Province since January. An AFP [AGENCE FRANCE-PRESSE] correspondent verified heavy fighting in the area this week, despite a cease-fire negotiated last weekend.

Sanderson had expected the generals Friday to agree to a separation of forces—that is, a retreat to positions held previously by their troops.

"I've told them I have U.N. units on high readiness to supervise such an agreement when they arrive at it," Sanderson said. "I don't want U.N. troops stumbling blind around the countryside."

Sanderson wants U.N. forces, namely a contingent of Indonesians, to supervise peace lines drawn up by the Cambodians themselves.

"If I had put U.N. troops in there this week, they would have been put right in the middle of a counter-offensive," the general said.

"I have not hesitated to point out to them that while they are procrastinating, innocent civilians are being dislocated and are dying."

Casualty figures are difficult to determine. Fighting in January displaced 20,000 people, according to the United Nations.

The committee of generals comprises the top ranks of the four Cambodian factions that signed a peace treaty in Paris ending their civil war last October.

The generals' assistants are to continue to work out details of the cease-fire and separation of forces at a meeting Saturday, Sanderson said.

He added, however, that the peace was holding in the rest of Cambodia.

"This isn't a nationwide confrontation. Fortunately it's confined... and given the history of the country over the last 20 years, it's not too bad," he said.

"Still, Kompong Thom is of great concern, simply because people have the right to expect better after the Paris (peace) agreement."

Sanderson also confirmed that U.N. forces had prevented the Phnom Penh Army from significantly building up for the counter-offensive.

The area of Kompong Thom is highly disputed. Troops of all four factions are mixed together in the area in pockets, rather than lined up against each other.

A vital Khmer Rouge supply route crosses an equally important highway controlled by Phnom Penh government forces, and the junction has been the scene of many battles.

People Want Checkpoints on Eastern Border

BK2703065292 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 26 Mar 92

[Text] The people in Memot and Ponhea Krek Districts [Kompong Cham Province] have called on the UN Transitional Authority in Cambodia [UNTAC] and Supreme National Council [SNC] to set up checkpoints in areas along the eastern border of Cambodia to check the Vietnamese activities there. After the signing of the Paris agreement on 23 October 1991, the people in Memot and Ponhea Krek Districts noticed that the Vietnamese aggressors had continued sending their forces to Cambodia in a systematic manner. The people said that along Routes 22 and 7 alone, the Vietnamese aggressors kept sending troops, ammunition, and war materiel from Vietnam's 5th Military Region in Tay Ninh Province to Cambodia for use by their forces in attacking the Cambodian national resistance forces.

These Vietnamese aggressor troops and ammunition are for use partly in attacking the resistance forces and killing the people in the eastern part of Kompong Cham Province and partly in attacking the resistance forces on Kompong Thom battlefield.

This is why, the Vietnamese aggressors on both Kompong Cham and Kompong Thom battlefields are currently launching attacks against the resistance forces and violating the agreement in a systematic manner.

The people in Memot and Ponhea Krek Districts believe that to avoid the Vietnamese aggressors from further occupying Cambodia and continuing to violate the agreement, it is necessary to deploy the UN peacekeeping force and the four Cambodian factions along the eastern border points for avoiding the Vietnamese forces from sending ammunition and war materiel into Cambodia.

Indonesia

Further Reportage on Rejecting Netherlands Aid

Dutch Minister Hopes Ties Continue

BK2603133492 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 26 Mar 92

[Text] Netherlands Foreign Minister Hans van den Broek hopes that ties between his country and Indonesia, which have a long and unique history, will continue despite Indonesia's rejection of economic development assistance from The Hague. The Netherlands foreign minister's hope was conveyed to his Indonesian counterpart Ali Alatas in a telephone conversation.

The Netherlands Foreign Ministry quoted van den Broek as saying that political and diplomatic contacts should continue to maintain the existing cordial relations.

Meanwhile, in his short statement aired by the RTL-4 commercial television station on Wednesday night, Dutch Minister of Cooperation and Development Jan Pronk said he would be very surprised to hear the Indonesian Government's decision if that were linked to the human rights issue.

Dutch Envoy Comments

BK2603161892 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 26 Mar 92

[Text] Netherlands Ambassador to Indonesia van Roijen says his government regrets that the Indonesian Government has rejected his country's economic aid but adds he has a high regard for the decision. Speaking to reporters after meeting with House Speaker Kharis Suhud in Jakarta today, the Netherlands ambassador said the

Indonesian Government's decision was indeed unexpected and the Netherlands Government really regretted the end of the economic assistance program.

Meanwhile, House Speaker Kharis Suhud stressed that since its independence, Indonesia has always adopted an unyielding stance on its sovereignty. Indonesia deeply objects to Netherlands' conditions for economic assistance, which is linked to the human rights issue, the family planning program, and the issue of Indonesian workers working overseas.

Commenting on the government decision, Deputy House Speaker Sukardi said Netherlands Minister of Cooperation and Development Jan Pronk had been arrogant and had paid scant respect to the country's sovereignty during his inspection tours of various parts of Indonesia to gather materials for the annual meeting of the Intergovernmental Group on Indonesia in July. The deputy house speaker said all foreign visitors must respect existing norms of the country to uphold the principle of mutual respect.

Speaking on a separate occasion, Deputy House Speaker Suprapto described the government's move as firm, wise, and in line with the country's independent and active foreign policy, which implies that Indonesia should stand equal with other countries.

Coping With Situation Discussed

BK2703080692 Jakarta ANTARA in English 0559 GMT 27 Mar 92

[Text] Jakarta, Mar 26 (OANA/ANTARA)—The government is studying various measures to be adopted to continue a number of Dutch aid projects after the stoppage of Dutch official financial assistance.

A possibility is to get substitute funding from international financial institutions and if necessary the private sector might be invited to take over, a minister said.

"Several projects are being scrutinized whether to be continued or not. If to be continued, private sector assistance could be asked to do so," Finance Minister J.B. Sumarlin told journalists after kicking off a Directorate General of Customs and Excise working meeting here Thursday.

His statement came after the government Wednesday announced a decision to stop accepting politically-tied Dutch aid and its chairmanship of the Intergovernmental Group on Indonesia (IGGI) which coordinated Indonesia's Western donor countries in the past.

According to Sumarlin, for a number of projects which would be continued, the Indonesian Government would work to get new funds from international bodies such as the World Bank and the Asian Development Bank.

However, the government has no intention to accept commercial funds bearing short repayment terms and high interests.

Meanwhile, the government has decided to discontinue certain non-high priority projects.

Dutch aid programs that are not to be terminated includes grant program for the education of Indonesian youngsters in the Netherlands.

The family planning program which used to be funded with Dutch aid still gets high priority from the government and will proceed with funds to be sought from domestic or non-Dutch external sources.

The government expects that rejection by Indonesia of Dutch official assistance would not affect economic relations between the private sectors of the two countries, Sumarlin said.

Rejection of Aid Hailed

BK2703035492 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 27 Mar 92

[Station commentary]

[Text] Dear listeners! Indonesia's decision to ask the Netherlands to stop its aid to the country and relinquish the chairmanship of the Intergovernmental Group on Indonesia [IGGI] has greatly surprised and drawn the attention of the international community. The decision was made by the Indonesian Government to prevent further deterioration of bilateral relations primarily due to the frequent use by the Netherlands of the aid as a weapon to threaten Indonesia. Simultaneous with the decision, the Indonesian Government asked the World Bank president to set up a consultative group on Indonesia to replace the IGGI. According to Radius Prawiro, coordinating minister for economics, finance, industry, and development conytol, a letter to this effect sent on Wednesday through the Indonesian Embassy in Washington contains, among other things, the request that the World Bank itself chair such a group.

Indonesia's request to the World Bank is based on several strong reasons. The IGGI, which is now made up of 14 member countries, has assigned the World Bank to formulate annual draft reports on the amount of funds needed by Indonesia ever since the body was set up in 1967. The assignment usually comes prior to the IGGI meeting held in The Hague in the middle of June every year. Such reports are based on data obtained by the World Bank as well as those coming from the IMF and other sources. The first draft report is not directly submitted to the IGGI but first referred to Indonesia to avoid any misunderstanding or misinterpreation of data as similar data would be needed. A second draft report will later be formulated. If there are no longer any discrepancies, this final draft report will be used a substance for the IGGI meeting in the Hague.

Indonesia's macro-economic situation is favorable. Thus, improvements have been made in the 1992-93 state budget. This includes the percentage of the interest and debts service ratio in the routine expenditure. Although the amount increases, the ratio itself has relatively decreased. Moreover, the role of foreign loans in funding development programs is decreasing. This means that the government is meeting the objective of making foreign debts as a supplement in the implementation of development programs. In other words, the myth of dependence on foreign loans has begun to crumble as they are truly playing their supplementary role.

Indonesia strictly adheres to a policy that foreign loans should be nonbinding. It, thus, becomes clear that Indonesia is not ungrateful for the Netherlands aid and that country's initiatives in coordinating the aid through the IGGI. On the contrary, The Hague itself appears to be indifferent to Indonesia's stand on foreign loans, particularly those coming from the Netherlands itself. h1

East Timor Guerrilla Leader Interviewed

92ES0577A Lisbon PUBLICO in Portuguese 6 Mar 92 p 9

[Article by Arnaud de la Tour Landorthe: "It Is Time for Solutions To Come From Outside"]

[Text] Xanana Gusmao, the guerrilla leader in Timor, believes that "the time has come for outside action," with a view to resolving the Timor issue, because the guerrilla forces "have ceased to be able to respond blow for blow" to the Indonesian Army. Xanana admits that he allowed himself to become entangled in the search for "miraculous but nonetheless bloody paths" toward a solution to the problem of East Timor. He says he does not have the information that would justify any opinion as to whether Butros-Ghali, the new secretary-general of the UN, "will move forward with some new idea or will follow in the footsteps of his predecessor," Perez de Cuellar. In a lengthy interview, in the answers he sent from the mountains of Timor to the French free-lance writer Arnaud de la Tour Landorthe in Lisbon last January, Xanana, whose statements became extremely infrequent after the 12 November massacre, confirmed that he will "unhesitatingly" abandon his weapons and accept the results of a popular verdict, whatever those results might be. And he said that he is aware that "a national flag and a government" will be only "the painful beginning" of an independent nation. Following are the principle passages excerpted from the interview and published in Portugal by PUBLICO.

Interested Parties' Views

"To begin with, I believe that the UN is the best place for negotiation, in view, furthermore, of the special circumstance whereby the East Timor issue has been put in the hands of the secretary-general, who is to undertake consultations with the interested parties.

"...The lack of definition on the part of the interested parties allowed Perez de Cuellar and his assistant (Raffeudinn Ahmed, who has been dismissed by the new secretary-general) to interpret the matter as they saw fit. Not infrequently, they referred to the conflict as the 'dispute between Lisbon and Djakarta.'

"And nothing could be easier than resolving conflicts of this sort—by reaching an agreement on friendship treaties with a consulate in Dili on the issue of prayers in Portuguese, cooperation treaties calling for the exchange of canned sardines for barrels of oil, and cultural treaties to retain the names of bishops and governors for streets in Dili—for an outcome as peaceful and profitable to all the other parties as it is acceptable as a 'solution' (naturally) to the international community.

"...I do not know if the new head of the UN (Butros-Ghali) will move forward with some new idea or if he will follow in the footsteps of his predecessor, who, from beginning to end, was simply an exemplary high White House official."

Insignificant Results

"I blame myself for having become intoxicated by prospects that were too easy... and for ignoring the dictates of 'realpolitik' and embarking on a search for miraculous, but nonetheless bloody, paths.... (The massacre in) Santa Cruz aroused international public opinion, let there be no doubt, upsetting governments in every corner of the globe! But the clamor faded away into infinity.... While a broader level of concrete actions did characterize the negotiation process, Santa Cruz can only have taken it, in long strides, to a higher level...! We cannot provide a new Santa Cruz every month. The risks are too great, the price too high, for such insignificant results, apart from raising consciousness...."

Pragmatism and Hypocrisy

"All that remains is to accept integration—this alone!

"And I am convinced that many people are awaiting just this in order to breathe a sigh of relief and to tell me that I am a genius, with all the attributes of pragmatism and the adjuncts of realism. There will be voices raised to distort people's thinking, but they will vanish much more quickly than all of the rhetoric invented about the bloodied walls of Santa Cruz...! A negotiation process directed along a firm and convinced line of action will eliminate any need for more blood in East Timor!"

A Shantytown Citizen

"Today, it is necessary to impose action from outside, not from within. From within, exclusively, consensus has now been reached, with the validation of consensual arguments—this is the result that has been achieved internally. But it is not the final goal because consensus does not liberate, it merely activates. And we are awaiting this activation, coming from the outside in.... Whatever dormant prospects there may have been in the old files, whatever other prospects may have been glimpsed, in response to the events on the 12th, a solution must come from outside because the time for outside action has come....

"And they are saying that I was going to surrender, but the problem was that I had not filled out the documents for a shantytown citizen."

Might Not Always Right

"I do not believe that the battle for freedom should have been waged exclusively via the armed path or that military victories, in themselves, necessarily mean justice and right.

"If, 16 years after the invasion begun on 7 December 1975, when the Falintil took up weapons to resist, the murderous occupation forces have not yet been ousted, it is because, on the one hand, no support has been received from outside and, on the other, because throughout this whole war the United States, Australia, Belgium, England, Sweden, and so forth have been supplying the occupying army with various war materiel and substantial sums for modernization.

"While Djakarta says that those of us in the Falintil represent nothing, we must agree that the use of force to win territory is a right claimed by the strong, which cannot be disputed, and which became a principle for those among the strong."

No Further Armed Actions

"Against a giant country with a population of 160 million and with Armed Forces that receive monthly aid in the amount of $500,000 from the United States (about 70,000 contos), the small army of liberation cannot, after 16 years, boast the same combat capacity.

"Just a few years ago, we could return the attacks of the enemy blow for blow. To claim today that the Falintil could still halt the attacks launched as it did in earlier days would be to exaggerate our own capacity. Any army is worth what it is worth, but it cannot do without equipment. Without that, it is impossible to put the merit, the talent, or the attributes of any fighting force to the test. And we have always been opposed to the mere propaganda promulgated by some individuals. We continue to wage battles, but we are not planning our actions today with a view to imposing our will on the enemy. We are merely attempting to respond as best we can to the operations of the occupying force."

Sources of Support

"It must be hard even to imagine, there in Europe, that a people devastated by death, completely muzzled within a small territory, would not inevitably be fearful or might be capable of finding strength in its despair, of posing a challenge, when it is dying.... Any other support we have been receiving from outside has been mainly in terms of campaigns of solidarity, in particular from organizations of that nature.

"Support from countries has come in the realm of diplomacy, chiefly in condemnations of Indonesia, with PALOP [Portuguese-speaking African countries], in particular, standing out.

"With specific regard to Indonesia, although we are aware of a gradual development of sympathy among the democratic and youth forces, there is still no justification for saying that this now constitutes support, in the widely accepted meaning of the term."

Willingness To Surrender

"The concept of self-determination points to the results that are beginning to emerge (in favor of Portugal or integration in Indonesia).

"Provided the process of consultation is believable and is supervised by the international community, I will accept the popular verdict, whatever it may be, and I will abandon my weapons without hesitation."

No Ambitious Goals

"I think that a certain propaganda exaggeration and a dose of mystification has created this distorted image (of Xânana as an unchallenged military and political leader).... I have no ambitions for the future.... To speak the truth, I am only a novice at politics, and I pretend to fail because this does not attract me.

"Like any other citizen, I will participate in politics in a general way, and I try to avoid wearing a partisan straitjacket.

"I want to be free, but truly free, to take delight in the landscape of the fatherland, in all its hues, and to love every corner of it, all of the shades of the clouds in its sky, and to become intoxicated with the enduring enrichment of its rains."

Fear of Acculturation

"A national flag and a government formed on the basis of a democratic constitution will be only the painful beginning of a difficult life, a constant accumulation of contradictions in which the incomplete beginnings of freedom will be intermingled with the unending void caused by relations foreign to our desires....

"I am afraid of acculturation, of the civilizing manipulation of superior societies. I want to think, beyond the needs of material development, of the moral and spiritual resources that transform this individuality into an identity....

"I do not want a people made up of various strata in a fatherland where some spend their leisure time enjoying the folklore recalled by others...."

Laos

Remains of MIAs Given to U.S. Official

BK2503135292 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 25 Mar 92

[Text] During an official ceremony at Wattai Airport this morning, Souban Salitthilat, deputy foreign minister of the Lao People's Democratic Republic [LPDR], handed over the remains of two American pilots killed during the war. The remains were discovered in the vicinity of (Khamsai) village in Xieng Khouang Province and were handed over to Charles Salmon, U.S. charge d'affaires to the LPDR. The exchange was witnessed by a number of high-level officials of both sides. This is the third exchange of the remains of U.S. servicemen.

The two U.S. pilots were identified as (Omar Salleo) and (Hoimo). A number of items such as a pistol, (words indistinct), eight keys, a U.S. Air Force insignia, and three towels were also retrieved from their graves. Since 1982 the Lao side has been adhering to its humanitarian policy of cooperating in searching for the remains of U.S. servicemen killed in Laos. So far 54 sets of remains of U.S. servicemen have been handed over to the U.S. side.

An official of the Lao Foreign Ministry disclosed that the said Lao-U.S. cooperation will be continued and that it is estimated that a total of 562 U.S. servicemen have been reported missing in Laos, adding that the Lao side is always ready to cooperate with the U.S. side in this regard.

Australian Government Gives Development Aid

BK2503101892 Vientiane KPL in English 0929 GMT 25 Mar 92

[Text] Vientiane, March 25 (KPL)—Australia will provide nearly dollars 1 million for development activities in Laos, the minister for trade embassy's news release. [sentence as published]

About dollars 600,000 will be channeled through Australia nongovernmental organizations currently working in Laos.

A further dollars 400,000 will be used for border control facilities being built in conjunction with the Australian-funded Mekong Bridge between Laos and Thailand.

Mr. Kerin [junior minister for trade and overseas development] said this during his meeting with the visiting Lao minister for foreign trade and economic relations, Phao Bounnaphon. He said that these projects will provide essential human resource development for the Lao people.

During the meeting, the two ministers signed an agreement relating to the Australian aid program in Laos.

Dollars 150,000 will be channeled to UNICEF Australia to establish a network for primary teacher upgrading, dollars 235,000 to overseas service bureau for English language training including five long-term teachers and resources and equipment, and dollars 170,000 to Australian Red Cross for policy development and training at community and national levels for the Lao Red Cross.

The further dollars 400,000 will provide for design and supervision of buildings and roadworks associated with the Mekong Bridge. Gazzard Sheldon architects have been selected to undertake this work.

Australian assistance to Laos is part of the Australian Development Cooperation Program, administered by AIDAB, the Australian International Development Assistance Bureau.

Phoun Sipaseut Meets Outgoing Indian Ambassador

BK2603044492 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 25 Mar 92

[Text] On the afternoon of 24 March, Phoun Sipaseut, deputy prime minister and minister of foreign affairs, received in Vientiane a farewell courtesy call from Govind Jambholkar, ambassador extraordinary and plenipotentiary of the Republic of India to Laos, who has just completed his three-year tenure of diplomatic assignment in Laos. On this occasion, the deputy prime minister and the ambassador talked and exchanged views with each other in a straightforward manner and friendly atmosphere. They discussed various issues concerning bilateral relations, cooperation, and assistance between governments of the two countries—Laos and India.

Phoun Sipaseut also hailed the success of Jambholkar in performing his diplomatic duty throughout the past three years, the success which, he said, has contributed to increasingly enhancing the solidarity, friendship, relations, and cooperation between the two countries. The Indian ambassador, in return, expressed thanks to the Lao Government for having always given cooperation and provided conveniences for him to fulfill his duty.

Siphandon Gives Directive on Rice Production

BK2603091592 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 25 Mar 92

[Prime minister's instruction no. 04/PM on 1992 monsoon rice production—read by announcer]

[Text] The unusual weather conditions during the 1991 crop season have adversely affected the country's agricultural production. Droughts at the beginning of the rainy season caused severe damage to highland rice crops in some provinces and delayed rice transplantation in many places. Heavy floods hit the central and southern regions in the middle of the wet season. Meanwhile, pests such as paddy rodents and various plant worms spread extensively, especially in the highland cultivation areas.

Despite these natural disasters and their immense negative repercussions on agricultural output in general and food production in particular, the endeavors made by the agencies and local administrations concerned as well as the multiethnic farmers themselves have successfully curbed the damage from the natural phenomena to a certain extent. The 1992 production was lower than that of 1991 and we still have several shortcomings. Our anti-drought and anti-flood plans have not been well organized to guarantee a bumper harvest. We lack effective measures to halt the slash-and-burn cultivation while the slash-and-burn cultivation acreage in some localities has increased. We have failed to effectively handle the land allocation scheme for agricultural production and encourage various economic sectors to establish two-way trade ties with farmer families. The agencies and sectors concerned lack good coordination and have not yet actively participated in the agricultural production. The advice and instructions from the responsible agencies and localities for this were not designed to move in the same direction. Useful lessons learned by localities have not been extensively propagated and put into practice.

In order to ensure better agricultural production in the 1992 rainy season, the prime minister issues the following instruction:

1. All agencies and localities are instructed to expeditiously coordinate with each other with a high sense of responsibility to participate in and serve agricultural production in the 1992 crop season in a timely manner. All localities must work out at least one intensive agricultural project to acquire experiences which can be applied in years to come. Capital investment and technical cadres must be allotted for the implementation of this intensive program to ensure maximum results. The main objective of this project is to achieve comprehensive rural development through intensive agricultural development. As for the highland cultivation zone, we must promote the cultivation of other crops and animal husbandry. Local administrations must mobilize all economic sectors to purchase crops from highland farmers and sell essential commodities to them. However, it should not be construed that all efforts are aimed only at encouraging highland farmers to shift to fixed rice cultivation. We must promote the cultivation of other cash crops as well as animal husbandry.

2. The State Bank of the Lao People's Democratic Republic is instructed to encourage commercial banks to grant low-interest loans and credits to farmers to develop irrigation facilities and alleviate food and draft animal shortages, especially in the areas hit by natural disasters last year.

3. The Ministry of Economy, Planning, and Finance is assigned to expeditiously coordinate and cooperate with all sectors concerned to further revise the policies concerning agricultural tax, bank interest rates, subsidies for some agricultural products, in particular those for export, and subsidies for fertilizer, pesticide, seeds, and machinery for soil preparation and irrigation.

4. The Ministry of Agriculture and Forestry is instructed to urgently organize and train technical cadres for agricultural development in line with the new mechanism at the grass-roots level to encourage farmers to boost production; exert all efforts to provide technical assistance to farmer families; and select model farmer families to guide others in agricultural production.

5. The Ministry of Agriculture and Forestry is instructed to study and review all decrees and regulations governing land utilization rights, the effective management of land and forested areas, the use of chemical agents for agricultural purposes, pest control, vaccination of domestic animals, transportation of animals, application of agricultural apparatuses, management and use of irrigation water, and other issues as deemed necessary.

6. The Ministry of Agriculture and Forestry is instructed to act as the coordinator for all agencies concerned such as the Ministries of Communications and Transport, Industry, Trade, Education, and Public Health, and localities to work out the production calendar for this year's rainy season in line with the weather conditions in each area; instruct all economic sectors to open the two-way trade service to serve farmer families in providing, for example, crop seeds in time of emergency; make preparations for repairing and developing irrigation facilities; and fight droughts and flood; maintain supplies of pesticides, medicine for animals, water pumps, foodstuffs, and tools for farmers. The Ministry of Trade must seek markets for farmers.

7. The Ministry of Agriculture and Forestry is instructed to cooperate with all schools to propagate lessons from the fight against droughts and floods in the past year, conduct a survey rice shortage in preparation for the distribution of rice supply in the shortage areas, and thoroughly promote intensive agricultural development especially in the irrigated areas. Technical cadres must be permanently stationed in the intensive agricultural areas to help farmer families in applying new techniques and various strains of crop seeds.

Upon receiving this instruction, the Ministry of Agriculture and Forestry is instructed to act as the coordination center for all agencies and localities concerned to jointly lay down effective procedures and measures for the implementation of this instruction.

Vientiane, 20 March 1992

[Signed] Khamtai Siphandon, prime minister

Philippines

Beijing Asks Manila To Free Detained Fishermen

HK2503121092 Hong Kong AFP in English 1203 GMT 25 Mar 92

[Text] Manila, March 25 (AFP)—The Chinese Embassy here Wednesday asked Manila to free seven Chinese fishermen arrested last week by the Philippine Navy in the waters off the disputed Spratly Islands.

"The Chinese Government expresses its deep concern over the (detention) of the Chinese fishermen," an embassy statement said.

"It is hoped that the Philippine side will set free the Chinese fishermen as soon as possible."

Navy spokesmen have said the seven were arrested Friday for poaching off one of the islands occupied by Philippine troops, using cyanide to stun the fish.

The Spratlys, a strategic chain of small islands in the South China Sea that are believed to be sitting on a major oil reserve, are claimed in whole or in part by Brunei, China, Malaysia, the Philippines, Taiwan and Vietnam.

All claimants, except for Brunei, have stationed troops on the larger islands to reinforce their claims, and Vietnamese and Chinese troops engaged in a bloody clash in the area in 1988.

Manila Wants Diplomatic Process

HK2703094892 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 27 Mar 92

[Text] Malacanang has said that the People's Republic of China has to go through the necessary diplomatic processes for the release of the seven Chinese fishermen who were caught illegally fishing near Pagasa, a Philippine occupied island in the Spratlys. Press Secretary Horacio Ducky Paredes said that in his talks with PRC Charge d'Affaires (Guang Dengmin), China understood it has to go through diplomatic process before the Philippines can release the seven fishermen. (Guang) clarified that the PRC has not filed any diplomatic protest against the Philippine Navy's arrest of the Chinese fishermen who used dynamite to fish in Pagasa waters.

China 'Maintaining Pressure'

HK2703030792 Manila BUSINESS WORLD in English 27 Mar 92 p 16

[Text] China is maintaining pressure on the Philippines to release its seven fishermen captured by Philippine Marines in the disputed Spratly Islands.

Chinese Embassy Charge D'Affaires Guang Dengmin (the current envoy is on leave) yesterday called on Foreign Affairs assistant secretary for Asia and the Pacific Romualdo Ong to reiterate Beijing's position that its fishermen were legally fishing in Chinese territory when arrested by Philippine forces. He declined to comment on prospects for their release. "Both sides are talking. The problem will be resolved," he said.

Mr. Ong also refused to comment on what he termed a "very delicate matter." The fishermen were accosted by Philippine forces as they came to within 500 meters of Pag-asa Island in the Kalayaans. They were charged with illegal entry into Philippine territory and illegal fishing and are presently under detention at the Bureau of Immigration and Deportation office in Palawan.

Both sides seem intent at this point to keep the exchanges very low key. However, a senior Philippine official observed that "China would be impelled by its law to act" and expressed the fear that "we are headed for a conflict."

China's Parliament had recently passed a law declaring the whole Spratly chain Chinese territory. The legislation further called on the Government to repel any "encroachments" by military force if necessary. "In Chinese eyes, the Philippines isn't just encroaching, it took its people prisoner too," an Asian diplomat remarked.

Malacanang Promises Release

HK2603100192 Manila Manila Broadcasting Company DZRH in Tagalog 0940 GMT 26 Mar 92

[By Dick Sinchongco]

[Text] Malacanang has promised it will release the seven PRC fishermen who were arrested recently for illegally fishing in waters claimed by the Philippines in the Spratlys. It will be recalled that the seven fishermen were arrested by the Philippine Navy while fishing on an island guarded by the Armed Forces of the Philippines. They were detained in Palawan after the arrest. Press Secretary Horacio Paredes said that through the Department of Foreign Affairs, the Philippines and the PRC are currently holding talks for the release of the seven fishermen. Paredes said the seven will be freed after going through normal processes. The Spratly Islands are claimed by the Philippines, Malaysia, the PRC and others.

PRC: Arrest Will Not Affect Ties

HK2703120192 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 27 Mar 92

[Text] After talks with President Aquino, PRC Charge d'Affaires (Guang Dengmin) announced that the issue of the controversial detention of seven Chinese fishermen caught for illegally fishing in the Spratly Islands' waters will soon be resolved. He said that the issue will not affect relations between the PRC and the Philippines.

Navy Arrests Five Taiwanese for Illegal Fishing

HK2603115092 Manila Manila Broadcasting Company DZRH in Tagalog 1100 GMT 26 Mar 92

[All names as heard]

[Text] Rear Admiral Mariano Dumancas, Navy chief, said a Taiwanese fishing boat was impounded by the Philippine Navy after it was caught fishing in Philippine waters. Five Taiwanese fishermen were also arrested and brought to the Coast Guard station in Manila where they will be turned over to the Commission on Immigration and Deportation. They were identified as Lim Pang Yau, Suu Koo Chen, Au Tau Chung, Chung Chung Yung, and Lim Tong Chung. According to a report to Dumancas, the Taiwanese junk was caught 72 miles from Masinloc, Zambales, at 0330 on 25 March. The arrested fishermen will be charged with illegal entry and illegal fishing in the country's exclusive economic zone. This is the second time the Navy has arrested illegal fishermen from Taiwan this week. [sentence as heard] The Navy previously arrested a fishing boat from the PRC near the Pagasa, part of the Kalayaan Island which the Philippines occupies.

Expert Says Bataan Nuclear Plant To Cost Extra

HK2703061492 Manila PHILIPPINE DAILY INQUIRER in English 27 Mar 92 pp 1, 10

[By Tony S. Bergonia]

[Text] Operating the Bataan Nuclear Power Plant [BNPP] would cost three times more than the amount estimated by the Westinghouse Electric Corp., the plant's builder, a nuclear plant expert testified yesterday.

Nicanor Perlas, a nuclear power researcher of the University of the Philippines-based Center for Alternative Development Institute, told a hearing of the Senate public services committee the cost of operating the plant as estimated by Westinghouse was way below what it would actually cost to repair the BNPP and put it in operation.

Westinghouse, in a proposed out-of-court settlement with the Philippine government, has offered to refurbish the BNPP at a cost of $400 million, to be funded by a new Philippine loan from the U.S. Eximbank.

Perlas said the cost of upgrading the plant alone could run up to a minimum of $1.2 billion.

He said based on studies he made, it would take $634 million to start the plant's operation for a 20-year life span, $240 million for uranium fuel on the plant's first year of operation; $5 million infrastructure [as published]; $4 million for personnel training; and $250 million for decommissioning the plant after its life span.

He said failure to sustain the cost of the plant could result in a "firefly, on-and-off operation" which Brazil had experienced with one of its nuclear power plants and which he described as a "very dangerous situation."

Josue Polintan, a senior vice president of the National Power Corp. [Napocor], said repairing the plant could be very expensive since the findings of a Napocor-commissioned inspection of the plant showed there are over 4,000 defects in the plant's construction.

Polintan also said the Napocor was not consulted in the negotiations with Westinghouse, although former Napocor Chairman Ernesto Aboitiz was part of the negotiating team.

The deal suspended trial of bribery charges filed by the Philippine government against Westinghouse, which evidence unsealed at the New Jersey Federal Court showed had bribed the Marcos regime over $17 million to corner the $2.2-billion contract to build the plant.

Westinghouse had offered to upgrade the plant and operate it for 30 years, for which it would receive a total of $1.2 billion in fees.

But the latest nuclear plant leak at the "Leningrad" nuclear plant near St. Petersburg, Russia is expected to seal the doom of the plan to operate the plant.

Libyan Ambassador Seeks Support Against Sanctions

HK2703034392 Manila PHILIPPINES NEWSDAY in English 27 Mar 92 p 3

[By Arthur I. Bariuad]

[Text] Libya yesterday urged the Philippines and "all peace-loving countries to reject outright" the implementation of a UN Security Council resolution that seeks to impose an air and arms embargo against Tripoli.

In a statement released to the Diplomatic Press Corps, Libyan Ambassador Rajab Azzarouq said his government was calling on the Arab world and all peace-loving countries like the Philippines to snub resolutions that "would impose sanctions against the Great Jamahiriya (Libya), until Israel undertakes its obligations to comply with 49 resolutions adopted by the Security Council and the General Assembly of the United States since the first day of its illegal inception."

Azzarouq said that the United States, the United Kingdom and France were now exerting their clout to assure the implementation of the resolution, adding that such attempts by the three powers to pass the resolution through the Security Council was a "gross perversion of the UN Charter."

Last week, the U.S. Embassy in Manila Briefed foreign affairs officials about the possible imposition of an arms and air embargo against Libya to force the Libyan government to hand over two of its nationals who were suspected of having masterminded the bombing of a Pan-American jetliner over Lockerbie, Scotland in 1988.

Libya has refused to turn over its two nationals, saying under international law and in the absence of an extradition treaty between the parties, "there is no rule that could compel Libya to hand over its nationals."

However, Azzarouq said Libya had agreed to allow the International Court of Justice to "deliberate the substance of the alleged accusations against the two Libyan nationals and to deliver its verdict."

Wire reports last week said should Libya continued to refuse to hand over its nationals, the U.S. would carry out air strikes against it. Faced with such a possibility, the U.S. "has urged the Philippines to be on alert" to protect at least 10,000 Filipino workers in Libya.

Debt Rescheduling Accord With Belgium Signed

HK2703030492 Manila PHILIPPINES NEWSDAY in English 27 Mar 92 p 8

[By Andres B. Saracho]

[Text] The Philippines yesterday signed a $64.8-million debt rescheduling accord with Belgium, bringing to $978.6 million the total bilateral debts already signed with eight creditor-nations under the fourth Paris Club agreement.

Department of Finance officials said, however, agreements with the remaining five sovereign lenders to complete the $1.5-billion rescheduling deal are not expected to be closed by the end of the month as initially scheduled.

Instead, the negotiations would be wrapped up with the five lenders, including Japan, which accounts for the bulk of the bilateral obligations being rescheduled, by early April, officials said.

Under the agreement with the Belgian government, the consolidated amount will be rescheduled interest-free with a 20-year maturity period, inclusive of a 10-year grace. On the other hand, the Office National du Ducroire (OND) of Belgium portion of the agreement will have a maturity of 15 years, inclusive of an eight-year grace period and interest of six-month Belgian interbank offered rate (Biber) plus 0.5 percent.

The $64.8-million debt, amounting to approximately 2.2 billion Belgian francs, falls due between July 1, 1991 and Dec 31, 1992.

Aside from the zero interest, another major component of the agreement is OND's approval of a voluntary debt conversion that will be covered under a separate accord.

"This bold but innovative form of debt relief will certainly address our mutual development concern," remarked Finance Secretary Jesus P. Estanislao during the signing ceremonies. Estanislao signed on behalf of the Philippine government while Belgian Ambassador to the Philippines Hugo Callebaut signed on behalf of the Kingdom of Belgium and OND.

Estanislao had said more creditor-nations are expected to participate in the debt swap component of the Paris Club agreement which allows the foreign governments to engage in various debt conversion schemes previously open only to private companies.

Under the $46.861-million agreement with France last week, the European nation allowed $4 million of the maturing exposure to the Philippines to be entered into a debt-for-development transaction, primarily to help in the rehabilitation of areas damaged by the Mt Pinatubo eruptions.

This was the first time the official creditors have agreed to the debt forgiveness scheme.

Mining Industry Performs 'Dismally' in 1991

HK2703034792 Manila PHILIPPINES NEWSDAY in English 27 Mar 92 p 8

[By Grace C. Sison]

[Text] Held back by dwindling world metal prices, low metal recovery rates and mineral production cutbacks, the mining and quarrying industry performed dismally last year, continuing the negative growths registered in the last four years.

Based on the recent report released by the National Statistical Coordination Board [NSCB], the gross value added in mining and quarrying, which broadly gauges the industry's total production, amounted to P10.77 [pesos] billion last year. At constant 1985 prices, this translated to a real output decline of 2.89 percent from the 1990 level of P11.091 billion.

Last year's decline was so far the sharpest recorded since 1988 when the sector registered drops of 2.62 percent in 1990, 2.69 percent in 1989 and 2 percent in 1988.

Largely accounting for the poor showing of the Philippine mining and quarrying group, the NSCB said, were the unstable metal prices in the international market, the low extraction rates in the metallic subsectors and the anemic performance of almost all of the metallic groups.

An indsutry source said the copper industry, comprising one-fifth of the total, suffered from a low metal recovery rate, with its GVA [gross value added] falling by 16.70 percent to P2.17 billion last year from the previous year's total of P2.605 billion. Other metal products, particularly chromium and nickel, also posted lower GVA levels in 1991. Chromium mining, with an output of P155 million last year, saw its GVA dip by 32.61 percent from the previous year's P230 million. The GVA of nickel dropped by 7.41 percent to P100 million from P108 million.

Meanwhile, the gold sector took a turn for the better last year as its GVA managed to inch up by 1.29 percent last year from P4.8 billion to P4.862 billion, after posting a 2.34 percent negative growth in 1990 from P4.915 billion.

Other subsectors that recorded gains were stone quarrying, clay and sandpits and other non-metallics which posted increments of 1.68 percent from P1.844 billion to P1.875 billion and 8.37 percent from P1.41 billion to P1.528 billion, respectively.

A number of industry analysts are optimistic that the industry will finally recover this year. One of the key factors cited by the analysts for this positive outlook is that metal prices, particularly gold prices, are expected to go higher starting this year.

However, many analysts still expect the mining sector to perform dismally, this year. This, they said, is due to the current problem of soft world metal prices compounded by the power rate hike imposed early this year.

Enrile Warns of Threat of Military Takeover

HK2703015592 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 26 Mar 92

[Text] Senator Juan Ponce Enrile says there is a threat of a military takeover of the government if no one is proclaimed president on June 30. He said it will not be possible to prevent a military takeover if there is no elected official to become chief executive. At a rally in Lal-lo, Cagayan, Enrile, who is a senatorial candidate for his province's first district, said the military will insist on

running the government to prevent a leadership vacuum which would allow the entry of extremists.

RSG Threatens Reprisals Against Police

HK2703015392 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 26 Mar 92

[Text] The Red Scorpion Group [RSG] will wreak vengeance on the Philippine National Police [PNP] for the killing of 14 men during the rescue of American executive Michael Barnes on March 18. RSG leader Alfredo del Leon, alias Ka Benjie, said his group is to find a suicide commando to liquidate top officials of Task Force Gemini and the PNP-CIS [Criminal Investigation Service]. De Leon emphasized that the men responsible for the massacre face a bloody reprisal.

Earlier De Leon said that only seven of the 14 men killed by Task Force Gemini were members of the RSG; the rest were civilians. He asked the National Bureau of Investigation, the Human Rights Commission, the Justice Department, and Task Force Detainees [name as heard] to closely investigate the killings so that no further clashes occur between his group and the military.

Plans Further Abductions

HK2703105592 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 27 Mar 92

[Text] The communist Red Scorpion Group [RSG] is planning to kidnap four more foreigners, including a British national. This was disclosed by Philippine National Police [PNP] staff director Jerry Flores, based on an intelligence report gathered by his department. Flores said the information was obtained from documents confiscated by the authorities in one of the RSG safehouses raided by the PNP-Criminal Investigation Service operatives last week.

Authorities Confirm Existence of Drug Syndicate

HK2503055292 Manila PHILIPPINES NEWSDAY in English 25 Mar 92 pp 1, 2

[By Jose H. Macaspac III]

[Text] The Narcotics Command (Narcom) yesterday confirmed that Cebu Chinese businessmen were behind the smuggling of huge shipments of metamphetamine hydrochloride, the prohibited substance more popularly known as shabu, into the country.

Two weeks ago, NEWSDAY broke the story of a big syndicate in the Cebu port which is collaborating with Customs personnel to bring in illegal shipments of drugs through the Cebu docks.

During a hearing of the Senate ad hoc committee on illegal drugs, chaired by Senator Ernesto Herrera, Narcom officials presented a confidential report indicating that a certain Wa Ming Long, known locally as Ben Long or Ben Go, was behind the foiled try to smuggle into the country some 42 kilos of shabu.

The drug shipment was seized by Narcom agents while it was being delivered to a warehouse in Pandacan, Manila.

The Narcom report also indicated that Wa was assisted by another Chinese businessman, identified only as a certain Mr. Tu, in the shabu smuggling and distribution operations in the country.

The report disclosed that the shabu shipment came from Taiwan, the base of Wa's drug smuggling syndicate.

The drug shipment arrived in Cebu on board a cargo ship where it was hidden inside a 40-foot van containing firecrackers.

The Narcom report said it was Wa who personally supervised the unloading of the cargoes in the Cebu pier and its subsequent transfer to a warehouse in Mandaue City.

The Narcom found the pyrotechnic shipment but not the drugs during a raid.

Apparently, the Narcom said, the shipment, which was actually intended for distribution in the Metro Manila area, had already been transferred to another van and immediately loaded at the M/V Sugbu, an inter-island cargo vessel, then docked at the Cebu pier.

The van containing the drug shipment reportedly reached the North Harbor. It was not clear how the drug shipment was released from the port.

Herrera said his committee and the Narcom had been receiving new leads on Wa's operations.

During the hearing, three Cebu-base businessmen failed to provide concrete leads to the committee and the Narcom on Wa's modus operandi.

Herrera had summoned the five Chinese businessmen identified by the Economic Intelligence and Investigation Bureau (EIIB) of the Department of Finance as "among those who can provide information to the committee" regarding the drug smuggling.

Three of the five—identified as Richard King, Eric Uy and Peter Lim—told the committee that they did not know of Wa's operations nor did they have any information of the local contacts of the Taiwan syndicate.

Thailand

Foreign Minister on 'Inappropriate' U.S. Remarks

BK2703014792 Bangkok THE NATION in English 27 Mar 92 p A2

[Excerpt] Caretaker Foreign Minister Asa Sarasin yesterday expressed dissatisfaction with Washington's statement hoping it could resume military and economic aid as a result of the post-coup general election, describing it as antagonizing.

"I'm not quite satisfied with an incident in which Washington's spokeswoman recently came out to say something from which it can be implied that the country's general election was held under U.S. pressure," Asa told reporters.

The ministry was antagonized by the State Department's statement which was read out by spokeswoman Magaret Tutwiler and also released to foreign news agencies on Monday.

The sentence which particularly irritated the ministry was: "We are gratified by this return to constitutional processes and hope to be able to resume aid to Bangkok."

The caretaker government has not received any official statement welcoming the general election, either from the administration of President George Bush or from other nations' governments.

"Everyone has the right to react to Thailand's national election, but not the way the United States did," Asa said. The United States had a condition of free elections being held before aid would be resumed.

Asa stressed the national election had been held to comply with democratic procedures to restore democracy to the Thai people. The poll was held because of the desire of Thais, not because of U.S. pressure, he said.

Asa said U.S. assistance to Thailand was "insignificant" compared with that extended annually by Thailand to neighbouring countries.

Washington's annual financial assistance of about Bt [baht] 14-20 million was considered very small, or 20 to 30 times less than the amount Bangkok donated annually in foreign aid, Asa said.

Last year the military-installed government of Prime Minister Anan Panyarachun had approved aid grants of more than Bt200 million for neighbouring states and other South Asian countries.

"Therefore, the U.S. should not try to link its financial assistance to the national poll," Asa said.

Asa, whose tenure will end when a new government takes office, described as "inappropriate" frequent U.S. statements indicating aid to Thailand would resume after a general election was held. [passage omitted]

Narcotics Board Has 'No Evidence' Against Narong

BK2703005192 Bangkok BANGKOK POST in English 27 Mar 92 p 2

[Text] Office of the Narcotics Control Board secretary-general Chaowalit Yotmani yesterday said his drug busting agency has found no evidence to substantiate claims that Samakkhi Tham Party [STP] leader Narong Wongwan was ever involved in the international drugs trade.

Pol Lt-Gen Chaowalit said the allegations that Mr Narong had been involved in the drugs trade between Thailand and the United States have been made without evidence.

He said the STP leader's name might have been mentioned in the illegal business but Mr Narong himself was not aware of that.

The secretary-general said some people who had worked for Mr Narong might have been arrested in the South on drugs charges but such things might have nothing at all to do with the STP leader.

The US government has accused Mr Narong of having been involved in a drugs racket.

House Urged To Probe Drug Link

BK2703011792 Bangkok BANGKOK POST in English 27 Mar 92 p 1

[Excerpt] Social critic Thirayut Bunmi yesterday called for the House of Representatives to investigate allegations that Samakkhi Tham Party leader Narong Wongwan, who has been nominated for premiership, has been listed by the United States Drug Enforcement Administration as having been involved in drug trafficking

The former student activist said Parliament on this matter should be independent and free of interference from outside or abroad.

In the process of selecting a nominee for prime minister, apart from a requirement that he must represent a majority of MPs, the nominee must possess morality and efficiency, he said.

He said the allegations that Mr Narong has been involved in the drugs trade have tarnished Thailand's image.

He said it was similar to the charges made against former Panamanian strongman Gen Manuel Noriega, who is being tried on drugs charges in the US, and those against Austrian President Kurt Waldheim, who was accused of knowing of war crimes in Greece and Yugoslavia while serving in the German army during World War II.

Mr Thirayut said the selection of the nominee for prime minister must be transparent to find a person who cannot be faulted.

The House must investigate the allegations, he said, suggesting that the four parties that nominated Mr Narong should first reconsider the nomination. If they insist on nominating Mr Narong, they should reaffirm this to the House.

Instead of forwarding the nominee to His Majesty the King right away, the House Speaker may seek information on Mr Narong from the Office of Narcotics Control Board (ONCB) or the US Congress, he suggested.

Another way is for Parliament to ask the Anan Panyarachun administration to ask for information on Mr Narong from the DEA.

When the information is obtained, it should be sent to the five parties for consideration. If the allegations are without firm evidence, the House Speaker could then go ahead to nominate Mr Narong.

But if there is evidence to confirm the allegations the parties concerned should nominate a new person for the post, he said. The information obtained should be made known to the public.

Mr Thirayut said it will harm democracy if the House takes no action on the matter. Moreover, the National Peace-Keeping Council may interfere in the selection process and this could set a time- bomb for a political crisis.

"At present the five parties are regarded as being justified in nominating Mr narong. But the allegations against him are a scandal. This must be corrected," Mr Thirayut said. [passage omitted]

Military Leaders Noncommittal About Narong

BK2703010592 Bangkok BANGKOK POST in English 27 Mar 92 p 3

[Text] Supreme Commander Gen Suchinda Khraprayun yesterday indirectly voiced support for Samakkhi Tham Party leader Narong Wongwan as the next premier, despite the controversy over the nominee's alleged drugs trafficking involvement.

He told reporters last night there is no need to heed the US claim against Mr Narong, saying the party leader has a mandate from the people.

"What will we get if we heed the allegation?" he asked.

Asked whether he would accept the premiership himself, Gen Suchinda refused to answer as he quickly climbed into his limousine.

Earlier, after meeting the chief adviser of JUSMAG [Joint U.S. Military Advisory Group], Gen Suchinda said that whether or not Mr Narong is appropriate for the post is a matter that the political parties will have to decide.

"Whatever the parties want, that is what will be. I have no opinions whatsoever," Gen Suchinda said.

Asked about strong opposition to the nomination of Mr Narong, Gen Suchinda said that since the country is progressing along the democratic path one should not keep throwing up objections, otherwise nothing can be done.

"You have to listen to the majority voice. Whatever it says, that's it," the general said. Gen Suchinda said he could not comment on what is or is not appropriate.

"But if the parties that won the most votes want it that way they can do anything. If we make objections then things can never end," he said.

Gen Suchidnda declined to answer when asked if the National Peace-keeping Council [NPKC] will then support whatever decision the coalition parties make.

Army Chief-of-Staff Gen Wirot Saengsanit declined to comment, saying the NPKC is not involved in the issue at all. Asked what the junta would do if the issue blew up, Gen Wirot replied: "Let it happen first. He (Mr Narong) is an MP, a representative of the people, we (the military) don't have any right to do anything at all."

Asked if opposition to Mr Narong is wrong because Mr Narong is an elected MP, Gen Wirot said: "That's it. We should leave it to the MPs. Others should not get involved until something happens."

Gen Wirot said the claim of involvement in drug trafficking must have supporting evidence.

Asked about the designated opposition parties saying that the choice of prime minister could still be changed—as the process of forming the government has not been completed—Gen Wirot said the large parties have already joined together and should be allowed to form the government.

He declined to give an opinion on whether its total of 195 MPs will give it enough stability.

Deputy Defence Minister Wimon Wongwanit said he had no knowledge that the US had blacklisted Mr Narong. Gen Wimon said he could not tell if this would have any impact on the selection process of the prime minister because the work is being undertaken by elected MPs. He also said the NPKC is unlikely to interfere with the process.

Caretaker Prime Minister Anan Panyarachun declined to say if the international community will accept Mr Narong, given US suspicion.

"Don't ask me, I am not interested," Mr Anan said.

He said that he had not heard of the US confirmation that it refused to give Mr Narong a visa because of his alleged involvement in drug trafficking. Asked if he considers this US interference in Thai affairs, Mr Anan said: "You have to ask the US."

Whether or not the issue will affect the relationship between Thailand and the US will have to be asked of the next government.

Deputy Prime Minister Pol Gen Phao Sarasin, who is also chairman of the committee to prevent and suppress narcotics, said he has no evidence concerning the US charges. But he added: "What evidence the US has I don't know."

Controversy May Cause Narong To Withdraw

BK2703015192 Bangkok THE NATION in English 27 Mar 92 p A1, A2

[Excerpts] Chat Thai leader ACM [Air Chief Marshal] Sombun Rahong is emerging as a strong candidate for prime minister as Narong Wongwan's nomination looks increasingly in doubt as a result of revelations about his alleged connection to the drugs trade.

Narong's chances of becoming prime minister were dealt a heavy blow yesterday when Washington confirmed that he had been denied a visa under an immigration law dealing with aliens suspected of being involved in drug trafficking, a charge which he has vehemently denied.

The plan to replace Narong with Sombun is seen as an attempt to save the fledgling coalition agreement signed by four parties, including Social Action and Prachakon Thai.

Meanwhile, New Aspiration Party leader Gen Chawalit Yongchaiyut also put up a last-ditch bid for the premiership by offering Chat Thai control of all key ministries in the new government in exchange for Chawalit's nomination as chief executive.

"The NAP sets only one condition—that Chawalit be nominated for the premiership," one source said.

With Sombun and Chawalit now seemingly in a close race, the political scene is still very uncertain. [passage omitted]

Despite the announcement by the four pro-military parties led by Samakkhi Tham last Wednesday that they would support Narong as prime minister-designate because he is the leader of the biggest party with 79 MPs, the taint of his alleged past involvement in international drug trafficking has caused a political storm which seems likely to force him to withdraw his nomination.

Narong suffered a huge setback yesterday when the State Department spokeswoman confirmed that the United States had refused Narong a visa because of concerns he was involved with international drug trafficking. [passage omitted]

The key variable in this light is the Chat Thai Party, the second biggest with 74 MPs, which is reportedly unhappy with the Samakkhi Tham Party's push for Narong's nomination. Chat Thai leaders sought to distance themselves from the scandal when approached by reporters during and after the news conference at which the four-party agreement was announced.

Sombun yesterday hinted at a possible change to the nomination agreement.

"We have left it to Narong. On our part, we have submitted a list of the parties supporting his nomination. I would like to reaffirm our position that we back him as prime minister-designate," Sombun said.

But Sombun also said: "If Samakkhi Tham fails, then Chat Thai is ready to take the lead in forming the government."

His remarks came amidst rumours that the Social Action Party, the third biggest partner with 31 MPs, could swing to the other political camp led by the New Aspiration Party because of the growing image problem concerning Narong's nomination. An about-face by the SAP would shift the balance to the other side, giving it a slim majority to form the next government.

Chat Thai is believed to be making preparations for an alternative to Narong, by trying to keep the four partners together and probably bringing in new partners which have been reluctant to join a Cabinet headed by Narong.

Rumours were rampant yesterday that Chat Thai secretary general Banhan Sinlapa-acha, supposedly the most powerful power broker in the party, was trying to convince Samakkhi Tham it would be in its best interests to replace Narong with Sombun as prime minister- designate. Chat Thai hopes to bring the Democrat Party into the coalition talks in order to isolate the NAP and its close ally, the Palang Tham Party.

Democrat Party leader Chuan Likphai reportedly has said the party will not join the coalition if Narong is prime minister-designate. Sombun is reportedly more acceptable to the Democrats, but Chat Thai and Democrat leaders have yet to negotiate any terms of such an agreement, including the Democrats' stand on amending the Constitution and its allocation of Cabinet portfolios.

However, if Narong insisted on his nomination, Chat Thai would give in to the Samakkhi Tham Party leader unless it had no alternative. It is aware that unless the four parties, including Prachakon Thai, stick together the risk would be high that the NAP would steal the lead to form the next government.

If the four parties finally pushed through Narong's nomination, then the next government with a slim majority of only 191 without the Ratsadon Party, or 195 with Ratsadon, would face one political crisis after another as a result of the new prime minister's serious credibility problem. An administration led by Narong is not expected to last long even with military backing.

If Sombun replaced Narong as prime minister-designate and was supported largely by the same partners in this camp, then his chances of success would be higher, although political observers believe even such an administration would be plagued by persistent credibility problems. However, a government led by Sombun could be more stable than one led by Narong.

If Sombun failed to forge a government, Chawalit would then be in a position to take over because the NAP is the third largest party with 72 MPs.

Chawalit's most likely coalition at this stage would include the Chat Thai, SAP, Phalang Tham, Democrat, Solidarity, and possibly Ratsadon, parties. An alternative would be an NAP-led coalition of SAP, Phalang Tham, Democrat, Solidarity and Ratsadon but it would have less support in the House.

NAP is trying the former, more difficult scenario by offering Chat Thai control of all key ministries, leaving only the premiership to Chawalit. [passage omitted]

If Narong and Sombun were ruled out, then there is a remote possibility that Democrat Party leader Chuan would enter the race with Chawalit. He would stand a stronger chance, especially if the military threw its weight behind the Democrats to block Chawalit's rise.

Narong Urged To Clarify Questions on Integrity

BK2703003992 Bangkok BANGKOK POST in English 27 Mar 92 p 4

[Editorial: "Integrity of PM Must Be Beyond Question"]

[Text] Democracy is regarded worldwide by civilised societies as the most ideal form of government. Theoretically, it is a form of government through which the people can exercise their right of self-governance by electing their representatives who will act on their behalf and for their benefit. But in actual practice, theory and reality can differ as much as black and white. As witnessed in the past, several of our elected representatives have proven to be of low-calibre, certainly not the best, the brightest nor the most capable, but definitely rich and powerful. Others betrayed or failed their constituents by abusing their positions or authority for their own benefit or that of the cliques and vested interests they serve.

After one year of undemocratic rule, Thailand can now pride itself on being back on a democratic course with an elected 360-member House of Representatives. And within another week or two, we should have a new civilian government most likely to be headed by an elected representative which would satisfy the legitimate demand of pro-democracy parties and activists. Both Army Commander-in-Chief Gen Suchinda Khraprayun and Air Force Commander- in-Chief ACM [Air Chief Marshal] Kaset Rotchananin who were earlier tipped to lead the new administration have reportedly declined the post because of public disapproval of a non-MP to assume the chief executive portfolio.

As leader of the Samakkhi Tham Party which won the most seats in the election, Mr Narong Wongwan is traditionally and constitutionally eligible to lead the new adminstration. But being an MP alone should not be the only criterion for a person to head the government and rule the country. The prime minister of a country does not only represent his or her party, but the country and its people. In a sense, he or she represents the face of the country. If the face is clean, it will be a boost for the country's image. But if the face is tainted, then it will be an embarrassment for the country and its people.

Ideally speaking, a prime minister must be honest, capable, decisive, possess integrity and, above all, should be acceptable locally and internationally as openly and publicly stated by National Peacekeeping Council chairman Gen Sunthon Khongsomphong. Despite the mandate given to their representatives, Thai people at large, we believe, don't want a prime minister whose reputation is in doubt and who is not likely to be recognised in the international community.

Although Mr Narong has gained the unequivocal support of four coalition parties, including his own Samakkhi tham, the denial of an entry visa for him by the US Government last year has put his prospect of heading the new government in serious doubt. According to the US State Department, Mr Narong was denied a visa in July 1991 under Section 212A(2)c of the Immigration and Nationality Act which states that any alien the consular or immigration officer knows or has reason to believe is, or has been a known assister, abettor, conspirator, or colluder with others in the illicit trafficking of any such controlled substance is "excludable".

The US suspicion of Mr Narong's involvement in drug trafficking as implied in the reason cited for denying his visa is a serious allegation and unprecedented against a prime minister-nominee of this country. Thus the scandal warrants a full-scale clarification from the US Government to remove any public doubt and confusion. The US Drug Enforcement Administration (DEA) is understood to have compiled an investigation report into Mr Narong's alleged involvement in the illicit drug trade upon which Washington's denial of his visa application was based. Washington should now come forward to verify whether the allegations can be substantiated.

Against this damaging accusation, it is also Mr Narong's responsibility to step forward to face the public and clarify the allegations beyond any public doubt. That Mr Narong decided to keep quiet yesterday was disappointing and only served to fuel the doubts of the Thai people. Statements by the Samakkhi Tham spokesman in defence of his party leader were neither convincing nor encouraging. This controversy over whether Mr Narong is the appropriate choice for the next premiership has gone beyond the simple question of constitutional legitimacy. At stake are not just the honour and prestige of the next government but also that of the Parliament and the country as a whole. The confirmation for Mr Narong to become the next prime minister should be kept pending unless and until he can clear himself of the accusations.

Businessmen Express Concern Over Narong

BK2603013592 Bangkok BANGKOK POST in English 26 Mar 92 p 17

[Excerpts] Leading businessmen yesterday reacted with dismay to the news that Narong Wongwan was nominated to head the coalition government but some said the country would have to come to terms with the choice because it had voted Samakkhi Tham into power as the largest party.

A surprising number were prepared to comment publicly, particularly brokers.

Several warned that Mr Narong's image—particularly the allegations that he was associated with narcotics—would deter foreign investors. Some, however, added that the situation could improve if Dr Suthi Singsane was reappointed as Finance Minister. This, they said, would mean a continuation of the policies of the Anan government.

Mr Narong yesterday dismissed the allegations as groundless. His party's deputy leader Athit Urairat explained that Mr Narong has been engaged in businesses in the Golden Triangle areas but these involve resort development and tobacco. [passage omitted]

Bankers generally were more subdued in their comments, preferring to wait and see the full Cabinet list.

One businessman, who asked to remain anonymous, warned that if a coalition was formed swiftly it would not last. "If the coaliton is formed this week I would advise my foreign brokers to wait," he said.

"If agreement is reached this week, it will not last. But if it takes at least three weeks to form a coalition, then it will last."

Time was needed, he explained, in order to form a team that would be a stable compromise between the military, the Senate elected politicians and public opinion.

While Thais were good at compromising, "there are also people who want to rush things through and to be prime minister for a few days", he said.

Choetchu Sophonphanit, chairman of Bangkok First Investment and Trust Ltd, said local investors would have no reaction, but foreign fund managers in particular would hold back. He predicted that American and British newspapers would dig into reports that the US embassy in Bangkok had placed Mr Narong on a visa rejection blacklist.

He warned that this would be bad for the country in the short term. The long-term prospects would not be good either, he added, because Mr Narong's ability to run the country was doubtful. Mr Narong had never held a position with large responsibility, Mr Choetchu said.

Dr Kongkiat Ophatwongkan, managing director of Baring Research Ltd, agreed that Mr Narong's image could cause problems, but he expressed confidence that if someone like Dr Suthi is made finance minister, the administration could work satisfactorily, particularly if the deputy finance minister also is a like-minded technocrat. [passage omitted]

Rut Phanichaphan, president and chief executive officer of Thana Siam Finance and Securities Co, said he believed investors were surprised at Narong's appointment.

But he agreed with others that there is now more interest in the appoitment of a finance minister, and that Dr Suthi would be a beneficial selection. Mr Narong could overcome his image problem by picking a profesional team, he said. [passage omitted]

Others, such as Damrong Kritsanammara, managing director of Bangkok Bank, and Chada Wattanasiritham, vice president of Siam Commercial Bank, said although Mr Narong is not recognised internationally, he could set up a good and responsible team. [passage omitted]

Narong Appointment Called 'Political Maneuvering'

BK2703014592 Bangkok THE NATION in English 27 Mar 92 p A6

[Article by Thepchai Yong: "Narong Is Not 'People's Choice'"]

[Text] Diplomats were shocked and the business community was lost for words. Washington was more straightforward, saying it had refused the would-be prime minister of Thailand a visa because of his suspected links with drug trafficking.

But Thai military leaders insist Narong Wongwan is the people's choice by virtue of his Samakkhi Tham Party commanding the largest number of MPs from last Sunday's election. "You asked for it," is what they seem to be telling the people who have been up against a non-elected prime minister.

The people did not ask for Narong. He was put at the helm of the Samakkhi Tham Party by some key figures in the National Peacekeeping Council (NPKC) for the lack of other more credible politicians. And his designation as the country's 19th prime minister is only part of the on-going political game.

Whoever was behind it knew from the very beginning that Narong was an unacceptable choice—but a choice that could not be refused by political parties and pressure groups fighting for an elected prime minister. After all, Narong is a democratically-elected representative of the people. He heads the biggest political party ready to form the core of the next coalition government. And he has the support of other major parties willing to join him in the coalition.

Politically speaking, Narong has all the qualifications required of a prime minister. But they have become overshadowed overnight by allegations of his ties to drug trafficking. The allegations, in fact, had been around for years but resurfaced after Narong was confirmed by five political parties, Samakkhi Tham, Chat Thai, Social Action, Prachakon Thai and Ratsadon, on Wednesday as their nominee for the premiership.

Despite Narong's vehement denial, the US State Department announced yesterday Narong had been denied a visa to enter the US because of his suspected ties to heroin traffickers in Thailand. Thai anti-drug officials have been less candid in discussing the problem though some have suggested Narong's associates did get involved in the dirty business.

So why was someone still plagued with such serious allegations nominated as the country's next prime minister? Most importantly, the business tycoon from Phrae was only playing second fiddle, a pawn in the political manoeuvering orchestrated by the NPKC leaders.

The powers-that-be in the military junta had all along wanted Army Commander in Chief Gen Suchinda Khraprayun for the premiership. But public opposition was so strong that the general had to make a strategic retreat. By propping up Narong, they hoped to calm down the public outcry against military intervention and at the same time brunt attempts by political parties on the "other side" in coming up with their choice of prime minister by exploiting anti-military sentiments.

Narong, who is not known for any leadership quality, was meant to be only a transitional prime minister—if he ever became one. The NPKC leaders hoped that Narong would falter in no time, providing them with a "legitimate excuse" to intervene and have one of their peers take over. And even if Narong lasted longer than expected, he would make a weak leader anyway.

The fact that Narong is the leader of the biggest political party does not automatically mean he is an ideal politician. The mounting criticisms against Narong's nomination cannot in any way be taken as the public's thumbs-down for politicians in general—no matter how much some military leaders would want them to be. They have painted themselves into a political corner after Gen Suchinda's rejection of the premiership and now they are looking for a way out. They believe that pushing forth a politician with a poor image would absolve them of their political interference.

The message behind Narong's nomination is that if people insist on having an elected prime minister, they would have to make do with someone like the Samakkhi Tham leader.

But what the NPKC leaders refuse to admit is that Narong was their choice from the start. It is an open secret that the Samakkhi Tham Party, which won the most seats in last Sunday's election, was their political brainchild—a vehicle to legitimize their political intervention. They chose Narong as its leader knowing full well his background.

The NPKC leaders have repeatedly claimed they were leaving politics to politicians. But in practice, they are doing the opposite. We all know what stakes some of the top generals have in some of the major political parties. We all know what powers-that-be have been behind the on-going political horse-trading.

If Narong is a bad choice for the premiership (which he is), then it has been a choice made by the NPKC, regardless of whatever reasons behind it. The NPKC generals have no right to blame it on the people. Their political manoeuvering is too thinly-disguised.

And if they still want to continue manipulating the political situation so that they can put one of their own peers at the top of the executive branch, then they should ask themselves an important question. Which is a better choice, a politician blacklisted for alleged ties to drug trafficking or a general who killed democracy?

Uproar Over Narong Shows Viability of Democracy

BK2703021392 Bangkok THE NATION in English 27 Mar 92 p A6

[Editorial: "Doubt About Narong, Not Thai Democracy"]

[Text] The tentative nomination of Samakkhi Tham party leader Narong Wongwan for the premiership has not only thrown Narong into a dilemma, but has also kicked up a furore that serves no positive purpose. It's time to start sorting things out before they grow out of proportion.

First, let's bear in mind that Narong is only the tentative choice of his party and its four allies (Chat Thai, Social Action, Prachakon Thai, and Ratsadon) to lead a coalition of 195 MPs in the 360-member House of Representatives. He is not yet the 19th prime minister of Thailand.

The House must first convene a meeting and elect a new House Speaker. Then the House Speaker will ask party leaders to nominate their respective top choices for the premiership. If the five-party coalition remains united, its choice will have majority support. Yet its choice need not be Narong, especially if public opposition to his nonmination grows.

Like it or not, the House Speaker will consult with Gen Sunthon Khongsomphong, chairman of the National Peacekeeping Council, after the House has made a decision. Sunthon, in his capacity as the titular leader of the council of coup-makers, claims a constitutional role to present the name of the prime minister to HM the King for royal appointment. In effect Sunthorn could have de facto veto power over any nominee whom he disapproves of. And he says his criteria for a good prime minister includes both "public acceptance" and "international recognition" as a trustworthy politician.

Whether Narong is trustworthy or not is still debatable. On the one hand he has been elected five consecutive times in the northern province of Phrae, polling as many as 145,210 votes (nearly 60 percent of the vote in the province) and came third in the country in terms of total number of votes received, trailing only Banhan Sinlapa-acha and Bun-ua Prasoetsuwan, two veterans of Chat Thai. Samakkhi Tham also came first in the north region—Narong's political stronghold—winning 29 of the 69 House seats there.

On the other hand, one of his followers was recently arrested on drug trafficking charges in Australia, and a few others were also implicated. The Office of the Narcotics Control Board confirms this, but says Narong was never on its list of suspects.

However the US State Department yesterday confirmed that Narong's visa application to enter the US last July was rejected because of the lingering suspicion that he was involved in international drugs trafficking.

The US allegation is most damaging to Narong. It is his personal responsibility to clear himself and respond to it as his own political career is at stake here. The Thai public will judge whether he has a satisfactory answer to the US allegation.

At the same time let us remember that Thai parliamentary democracy is not on trial here. No one should try to distort the situation and belittle the political system for producing the five-party coalition and making Narong its top choice for the premiership.

The system is still working, and that's why Narong, who is leader of the party with the largest number of seats in the House and whose party leads a majority coalition, was given the first opportunity to seek the premiership.

The fact that public reaction to Narong's nomination is being taken into consideration by various parties is also proof that the democratic system is working. Otherwise Narong would have been an indisputable choice because he received the tacit backing of some military leaders who are close to Samakkhi Tham and Chat Thai.

In a democracy, a government leader chosen through parliamentary means must also have public acceptance, as otherwise he lacks full legitimacy to rule. The people have the final say in who shall be their government leader. This is what democracy is all about: people have the right and power to accept or reject a government leader.

The public uproar against Narong's nomination for the premiership means that Thai democracy has come back to life. No one should misread the situation and jump to the conclusion that Thailand isn't really "ready" for a real return to parliamentary democracy.

Bodies of 16 Burmese Troops Found After Clashes

BK2703012992 Bangkok THE NATION in English 27 Mar 92 p A2

[Text] Mae Sot—Thai soldiers yesterday found 16 bodies of Burmese soldiers believed killed when they intruded across the border early this month.

Some ammunition and equipment were also discovered during the Army's land-clearing operation at riverside Ban Wang Kaew, where more than 100 Burmese troops crossed into Thailand during their offensive against armed ethnic Karen guerrillas.

The bodies, some in Burmese Army uniforms, are believed to be among those of 84 Burmese troops killed on March 14 during heavy attacks on the Karen camp of Kawmura across the Moei River from Band Wang Kaew in this northern border town. Border sources had intercepted a Burmese radio message saying 84 were killed that day.

Thai soldiers could clear only part of the village and nearby farmland as fighting between the two forces hampered their efforts.

For the past few years the Burmese Army has failed in its attempts to capture Kawmura. Thai forces have retaliated against their incursions with heavy shelling. During the current dry season about 2,000 Burmese soldiers have been mobilized to fight about 800 Karens holding the outpost.

To the north, the Burmese Army has launched a bigger offensive against the Karen headquarters at Manerplaw, which also serves as a base for the Burmese parallel government and other armed ethnic groups.

A Karen spokesman said the Burmese Army has used 25 to 30 infantry battalions from the 66th and 88th Divisions, five artillery units, two companies of commandos and the air force in assaults on Manerplaw, and another 10 battalions from the 44th Division to attack Kawmura.

Meanwhile, Thai officers in Mae Sot sent a protest note to Burmese authorities in Myawadi yesterday, urging them to dismantle eight wooden structures on the banks of the Moei River which is an international waterway.

Thailand fears the structures, normally built to protect the riverbank from erosion, might be transformed into bridges.

Vietnam

Vo Chi Cong Report to National Assembly

Part One

BK2603091192 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 25 Mar 92

["First part" of a report delivered by State Council Chairman Vo Chi Cong at the 24 March opening meeting of the Eighth National Assembly's 11th Session concerning "the fourth draft of amendments to the 1980 Constitution"—read by announcer]

[Text] Dear Comrade Do Muoi, general secretary of the party Central Committee; Comrade Nguyen Van Linh and Comrade Pham Van Dong, advisers to the party Central Committee; Comrade Vo Van Kiet, chairman of the Council of Ministers; Comrade Le Quang Dao, chairman of the National Assembly; and National Assembly deputies:

At the National Assembly's Ninth Session in July 1991, on behalf of the Constitution Revision Committee, I presented before the National Assembly the second draft of amendments to the 1980 Constitution. Taking into account the views of National Assembly deputies, the Constitution Revision Committee revised this second draft of amendments into the third one. The committee widely disseminated this third draft in order to solicit the views of the people and cadres nationwide from early in February to mid-March in accordance with a plan already presented to the National Assembly.

Based on the diverse views contributed by the people and cadres, the Constitution Revision Committee made some further changes in this draft and then presented it to the Political Bureau to seek its advice for certain major issues. The committee later perfected the third draft into the fourth draft of amendments that is being presented before the National Assembly today.

On behalf of the Constitution Revision Committee, I would like to chronologically brief you on the drive to solicit the views of the people and cadres, on the essential contents of the fourth draft of amendments to the Constitution, and on certain jobs to be done in order to ensure scrupulous enforcement of the revised Constitution.

I. With regard to the drive to solicit the views of the people and cadres: In general, our plan was carried out by various echelons and sectors and the people at large in a scrupulous, enthusiastic, constructive, and democratic spirit reflective of a high sense of responsibility. Mass media, especially newspapers and radio and television stations, took an active part in this drive. As the drive to solicit the views of the people and cadres was organized at a time when various sectors and localities were having many urgent things to do coupled with the celebration of the traditional New Year, we had to overcome numerous difficulties. However, the drive took place as planned and produced good results.

National Assembly deputies actively contributed in holding various debates while personally taking part in these debates. As of 28 February 1992, the Constitution Revision Committee had received 74 roundup reports on the views contributed by those provinces and municipalities directly under the jurisdiction of the central government and by 98 units, ministries, branches, sectors, and mass organizations at the central and local levels. The committee also received nearly 300 letters containing personal views as well as a number of suggestions carried in newspapers and on radio stations. Some people contributed their practical views on dozens of provisions. Certain people even drafted the whole preamble or a whole chapter of the Constitution. Others wrote dozens of articles in various newspapers.

According to incomplete statistics provided by 46 units, provinces, and municipalities, over 9 million people took part in various debates and contributed their views. It can be said that this was the largest amount of political activity in recent years following a drive to contribute views on various draft documents of the Seventh CPV Congress. The Constitution Revision Committee suggested that the National Assembly highly commend the people and cadres for having enthusiastically participated in building this fundamental law of our state at this time.

All those fundamental guiding notions for constitutional amendments won the sympathy of all. The general views emphasized that:

1. The revised Constitution should satisfactorily institutionalize the party's comprehensive renovation policy and affirm the socialist goal based on those essential contents of the platform for national construction in the transition to socialism and the strategy for socioeconomic stabilization and development until the year 2000 put forth at the seventh party congress. It should also creatively apply in our country's specific situation the fundamental viewpoints of Marxism-Leninism and Ho Chi Minh thought as well as our own experience in socialist construction, while selectively consulting those experiences obtained by other countries.

2. The revised Constitution should assert that the entire power of the state rests with the people, that the organization and activities of the state apparatus should conform to the principle of democratic centralism, and that the state's power is uniformly concentrated in the National Assembly. Legislative, executive, and judicial powers are not separated as advocated by the doctrine of three separate powers. There is only the division of work and responsibilities between the National Assembly, the government, the Supreme People's Court, and the Supreme People's Organ of Control so each of these organs can effectively perform its functions and authority in close cooperation and coordination in order to generate integrated strength for the state power under party leadership.

3. The revised Constitution should define and stipulate that citizens' political, civil, economic, cultural, and social rights are respected and protected by law, that citizens' basic rights and duties are not separated, and that democratization is coupled with efforts to strengthen order and discipline.

4. The revised Constitution should ascertain the party's leadership over the state and society. The party's leadership guarantees and enhances the role and efficiency of the state's managerial functions. The stronger the state apparatus, the more consolidated and more enhanced the mechanism of party leadership will become. Party leadership does not mean that the party substitutes itself for and takes over the work of the state.

Most of the suggestions maintain that the third draft of the amendments to the Constitution has been meticulously compiled, and that the draft contains many suitable amendments capable of reflecting our people's will and aspirations, as well as of meeting the requirements of our country's revolution in the new situation. The draft reflects a thorough understanding of the party's renovative lines, particularly the concepts put forth by the seventh party congress resolution, and institutionalizes the overall mechanism of people's mastery, state management, and party leadership.

Some suggestions maintain that the draft displays a number of weaknesses, especially with regard to lawmaking techniques and methods of presentation. For example, the contents of some provisions are still unclear and sometimes contradictory. There are too many repetitions of the phrase "in accordance with law." Many provisions are too detailed and should be regarded as rules and regulations instead. At times, the style sounded like the one used to formulate a platform or a strategy instead of a law, and so forth.

Many suggestions stressed the need to supplement or amend the preamble and many chapters and articles of the draft. Some views suggested that the Constitution should include detailed provisions, systems, and regulations to be applied to each locality and each sector. Most of those suggestions are correct. However, many views could be unsuitable should they be included in the Constitution. Instead, efforts should be made to study and include them in regulations or other legal documents to be promulgated by the government.

The above-mentioned suggestions have all been carefully considered so the various agencies in charge can take them into account while compiling the documents to concretize the provisions of the Constitution and perfect the legal system in our country. In the process of soliciting people's suggestions, the Constitution Revision Committee selected views expressed by the majority and also paid due attention to important suggestions from the minority.

Part Two

BK2603150192 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 25 Mar 92

["Second part" of a report delivered by State Council Chairman Vo Chi Cong at the 24 March opening meeting of the Eighth National Assembly's 11th Session in Hanoi on "the fourth draft of amendments to the 1980 Constitution"—read by announcer]

[Text] II. The main issues in the fourth draft revised 1980 Constitution.

The 1980 Constitution has a preamble, 12 chapters, and 147 articles. The fourth draft still has 12 chapters in which 10 articles are kept intact, 23 new articles added, two articles rescinded, and 115 modified. It now has 148 articles. Accepting the people's suggestions, the Constitution Amendment Committee modified 78 articles of the third draft. At the 14 March 1992 meetings of National Assembly deputies in Hanoi and Ho Chi Minh cities, our committee had already reported the details of the fourth draft. In this meeting allow me not to go into every detail but to present only the generalities and the most prominent issues in the draft.

A. Regarding the preamble: Compared with the preamble of the 1980 Constitution, the preamble in the third draft was rewritten to be more concise and meaningful. It was curtailed by two thirds to retain only the most important historic milestones, to generally mention the renovation process, and to assert the people's determination to struggle for even greater victories in renovation and national construction and defense.

Some other points in the third draft have been modified by the fourth draft—namely, the words thousands of historical years were replaced by 4,000 historical years. The fourth draft mentions generally the close neighborly countries and adds the historic Dien Bien Phu victory and Ho Chi Minh Campaign.

B. Regarding Chapter One: The SRV and Political Regime.

This chapter has 14 articles that were planned for revision but only 7 articles of the third draft have been changed in the fourth draft. Following are the most noteworthy points:

1. Concerning the country's name, some people suggested a change under the pretext that we are now only in the initial stage of the transition to socialism. Yet, the Constitution Amendment Committee maintains that since our people persist in pursuing their socialist objective and affirm their determination to build socialism, it is not necessary to change the country's name.

2. Concerning the nature of the state, Articles 2 and 3 of the fourth draft specify that our state is of the people, by the people, and for the people with the worker-peasant-intellectual alliance as the base. It guarantees and constantly and comprehensively develops the people's mastery, severely punishes all acts of violation against the interests of the homeland and people, builds the country to be rich and powerful, achieves social justice, and gives everyone a plentiful, free, and happy life, and conditions for comprehensive development. So stated, the revised Articles 2 and 3 manifest clearly and adequately the nature of the state as the foundation of the people—masters of the country—and the characteristics of the socialist society that our people have strived to build in conformity with the peculiarities of the new situation.

3. Concerning the acknowledgement of the party leadership role in Article 4: Through the recent drive to solicit the views of the people and cadres, we can see clearly the high degree of unanimous agreement on the position and contents of this article in the Constitution. Accepting the contributed views, the Constitution Amendment Committee wants to say as follows: The Communist Party of Vietnam is the vanguard unit of the Vietnamese working class, the loyal representative of the interests of the working class, the laboring people and the whole nation who follow Marxism-Lenism and Ho Chi Minh Thought, and the leading force of the state and society. All party organizations operate within the framework of the Constitution and law. Some people proposed the changing of the words all party organizations in the last sentence into all party organizations and members. Some others suggested also the adding of the party leadership procedures. The Constitution Amendment Committee holds that since party members are citizens, they are duty-bound to abide by the Constitution and law; it is not necessary to add the words party members. The party leadership procedures should be included in party documents and not in the Constitution.

4. Regarding the impeachment of National Assembly deputies and the people's councillors who do not deserve the

people's trust, the old Article 7 stipulated only one form of impeachment by voters. Now, another form is added: The National Assembly can impeach its deputies and the people's councils can impeach their members. This form always warrants compliance with policies and democracy. At the same time, it allows for public fund savings because experience in real life has shown that the organization of impeachment by voters is very expensive.

5. Regarding Vietnam Fatherland Front [VFF] members, the old Article 9 says: The VFF is composed of political parties. Then Article 9 names some member organizations. The front is constantly expanding with ever-increasing numbers of members. The more specific member qualifications are listed, the more shortages of members the front experiences. As a result, the Constitution Amendment Committee proposes not to list like that any more but to say generally: The VFF—and that is sufficient.

Concerning the front's role, it is now asserted that the front is a political base and the strong fulcrum of the state.

6. Concerning foreign relations, Article 14 has been modified to expand foreign relations with all countries in the world regardless of differences in political and social regimes, and on the basis of respect for each other's independence, sovereignty, and territorial integrity; of non-inteferece in each other's internal affairs; and of equality and mutual benefit in conformity with the current trends in the world.

C. Concerning Chapter Two: The economic system.

This chapter has been almost completely rewritten to institutionalize the economic renovation lines. Of the 17 articles, seven are new, 10 are amended old ones, and old Articles 25 and 26 are rescinded. The main contents of Chapter Two in the fourth draft Constitution are:

—The state must develop the multicomponent commodity economy under a market mechanism and socialist-oriented state management.

—The multicomponent economic structure with diversified forms of production and business organization must be based on the systems of national ownership, collective ownership, and private ownership, with national ownership and collective being the foundation.

Article 15, new: It is the objective of the economic policy to make the people prosperous and the country powerful and to meet the people's material and spiritual needs more and more satisfactorily.

Article 16, new: It is necessary to draw up a brief list of the assets that are under national ownership in Vietnam's air space. This is because air space will become an increasingly important source of profits. The state must ensure that capital and assets are invested in various enterprises and projects in a way that suits the development of joint ventures under diverse forms among all economic components.

Article 17. The state economy must be consolidated and developed in key sectors and areas of operations so it can play a leading role in the national economy.

Article 19, new: The collective, individual, privately capitalist, and household economies are all encouraged by the state to develop in a way that suits the position of each of them in the national economy.

Articles 20 and 21. Production and business establishments belonging to all economic components are equal before the law and their legal assets are protected by the state. All businesses and corporations are allowed to enter joint ventures with foreign nationals or foreign economic organizations both at home and abroad as specified under the law.

Article 22. The state broadens and applies a uniform management system to external economic relations activities and encourages foreign organizations or foreign nationals to invest capital in Vietnam, while creating favorable conditions for overseas Vietnamese to invest in their homeland to help in national construction.

Articles 24 and 25. The state manages the national economy by laws, plans, and policies. It delegates work and responsibility and decentralizes its managerial power to various echelons and sectors, and harmoniously combines its own interests with the interests of other individuals and organizations.

Article 26, new: The most controversial question in this chapter is one that involves the right to use land alloted by the state on a long-term basis.

Article 18, revised Article 20: Lands are under national ownership. As stipulated in the old Article 20, organizations and individuals who use the land are allowed to continue using it and to enjoy the results of their work as specified under the law. Reality, however, shows that this stipulation, which is too tight, has prevented land users from having peace of mind to invest capital in land exploitation on a long-term basis for the development of production. Meanwhile, it has also failed to instill a sense of responsibility in replenishing and protecting land.

In the third draft it was outlined that the above stipulation will be revised as follows:

—Lands are put under state management in accordance with plans and laws to ensure that they are utilized according to set goals and to bring about results.

—The state allots land to the various organizations and individuals for use on a long-term basis. These organizations and individuals have the responsibility to protect, replenish, and exploit it in a rational and economic way. They may give the right of inheritance to other organizations and individuals or may transfer the right to use the alloted land as specified under the law.

This is due to the fact that the right to use land on a long-term basis still can be inherited or transferred provided that the people concerned fully comply with the conditions the person who has been alloted the land for use on a long-term basis has pledged to fulfill. The law has stipulated in detail the conditions and procedures for application of these laws to prevent the buying and selling or excessive private ownership of land.

In the recent drive to solicit views, many people have not agreed with the above stipulation on the right of inheritance. However, in the fourth draft this stipulation has been curtailed and there remains only the right to transfer the use of the alloted land as specified under the law.

Foreign Minister's Visit to India Previewed

BK2403042092 Hanoi Voice of Vietnam in English 1000 GMT 20 Mar 92

[Text] Vietnamese Foreign Minister Nguyen Manh Cam is expected to pay an official visit to India early next week. He will be attending the fifth meeting of the Joint India-Vietnam Committee on Economic, Scientific and Technological Cooperation in his capacity as chair of the committee. Our correspondent has more details about this important event in India-Vietnam ties:

[Begin unidentified correspondent's recording] India is a country visited by many Vietnamese leaders. The forthcoming visit to India by Vietnamese Foreign Minister Nguyen Manh Cam will be yet another indication of Vietnam's warm sentiments toward cooperation with India as well as of the constant growth of bilateral ties.

For many years, India and Vietnam have maintained strong economic, scientific and technological cooperation. India has shared its experience with Vietnam and helped it develop better its economic branches, particularly in the areas of agriculture, industry, scientific and technological development, and training of personnel.

To promote their economic and trade ties, Vietnam and India have agreed on the setting up of joint venture enterprises in areas of common interest, opened a branch of the Bank of India in Vietnam, set up direct civil aviatiuon relations between the two countries, and concluded a program for cultural exchange. The fifth meeting of the Joint India-Vietnam Committee on Economic, Scientific and Technological Cooperation will be held during Mr Nguyen Manh Cam's visit.

Certainly the forthcoming India trip by the Vietnamese diplomatic chief will continue to promote the exisiting relations between the two countries. [end recording]

India To Provide Aid

BK2403044492 Hanoi Voice of Vietnam in English 1000 GMT 22 Mar 92

[Text] Vietnamese Foreign Minister Nguyen Manh Cam arrived in New Delhi Saturday for a week-long visit to India. On this occasion the Vietnamese foreign minister will holds talks with Indian leaders to promote the economic and trade relations between Vietnam and India.

The Vietnamese foreign minister will also attend a meeting of the Vietnam-India Joint commission to be held on Tuesday and Wednesday. Reports said India will cooperate with Vietnam in oil and gas prospection and textiles. India promised Vietnam $48 million aid.

Foreign Minister Arrives in India for Visit

BK2503154992 Hanoi VNA in English 1430 GMT 25 Mar 92

[Text] Hanoi VNA March 25—Foreign Minister Nguyen Manh Cam has arrived in New Delhi for an official visit to India and to attend the fifth session of the Indo-Vietnamese Inter-Governmental Commission for Economic and Scientific and Technological Cooperation. He was received by President R. Venkataraman, Vice- President D. Sharma and Prime Minister Narasimha Rao.

In his meeting with Prime Minister Mr. Rao, they discussed international and regional issues of common concern and measures to strengthen relations of cooperation between India and Vietnam in the period to come.

The Indian leader said he was pleased at the new development of the bilateral economic, commercial and technological cooperation and expressed his hope that this India visit by Minister Nguyen Manh Cam and the results of the coming fifth session of the inter- governmental commission would help develop further the bilateral relations in the interest of the two peoples, and of peace, cooperation and development in the region.

The indian prime minister extended an invitation to Party General Secretary Do Muoi to pay an official visit to India which, he said, would be a new step in the strengthening of cooperation between Vietnam and India.

On the afternoon of March 23, Nguyen Manh Cam paid a courtesy visit to Mrs. Sonia Gandhi and conveyed the warmest greetings of the Vietnamese leaders and people to the Gandhi family.

Talks Reported

BK2703064792 Hanoi VNA in English 0603 GMT 27 Mar 92

[Text] Hanoi VNA March 27—Vietnam and India have identified new areas of cooperation including prospecting for natural gas in Vietnam, mining of rock phosphates, tea production and processing, maritime transport, remote sensing, sugar and cement production and rubber and cotton development.

Possibilities for cooperation in these fields were studied during a recent New Dehi meeting of the Indo-Vietnamese Joint Commission for Economic, Scientific and Cultural Cooperation cochaired by Indian Minister for External Affairs Madhavsinh Solanki and Vietnamese Foreign Minister Nguyen Manh Cam.

Within the framework of the meeting which ended on Wednesday, the two countries also signed a three-year cultural exchange program from 1992 to 1994, with India's agreement to set up an industrial estate in Hanoi and restore some historical monuments in Vietnam.

The number of scholarships extended to Vietnam will be raised from 10 to 14, it was further agreed.

Commentary Views Visit

BK2703080892 Hanoi Voice of Vietnam in English 1000 GMT 26 Mar 92

[Station Commentary]

[Text] Vietnamese Foreign Minister Nguyen Manh Cam arrived in New Delhi last Sunday for an official visit to India and to attend the fifth session of the Indo-Vietnamese Intergovernmental Commission for Economic, Scientific and Technological cooperation. The two sides at this meeting took further steps as compared with the last meeting conducted in April 1990. Vietnam and India have affirmed to support each other and to coordinate in implementing foreign policies.

At the talks between the two foreign ministers of Vietnam and India all spheres for further cooperation, including oil and gas prospection in Vietnam, the extraction of phosphate, tea production and processing, and sea transportation have been opened up.

Speaking with Indian business circles, Foreign Minister Nguyen Manh Cam said Hanoi is exploring possibilities to open both sea and air routes directly between the two countries to promote bilateral trade. He also invited Indian companies to study possibilities to enter joint ventures in Vietnam.

Indian President Venkataraman and Indian Prime Minister Narasimha Rao at the reception given to Foreign Minister Nguyen Manh Cam also affirmed India's determination to develop relations with Vietnam in these fields. Foreign Minister Nguyen Manh Cam also paid a courtesy visit to Ms Sonia Gandhi, widow of the late Indian Prime Minister Rajiv Gandhi. Ms Sonia Gandhi recalled the special memories and fine feelings of the three Gandhi generations reserved for Vietnam.

The Indo-Vietnamese relations will certainly be further consolidated and developed with these fine feelings and with the prospects for further cooperation created by the meeting of the Intergovernmental Commission for Economic, Scientific and Technological cooperation between the two countries.

Australia

Opposition May Stop Backing Efforts in Cambodia

BK2703104592 Hong Kong AFP in English 0856 GMT 27 Mar 92

[Text] Canberra, March 27 (AFP)—Australia's plans to send a 500-man peacekeeping force to Cambodia suffered a setback Friday as the conservative opposition indicated it may withdraw support because of the dangers involved.

The opposition had previously announced in-principle support for the Cambodian peace process and the participation of Australian troops.

But shadow foreign minister Robert Hill said in a radio interview Friday the government could not now assume automatic opposition support for the troop deployment.

Hill said the opposition was mainly concerned that the fighting in Cambodia had intensified in the last few months.

His remarks may also have implications for 300 or so Cambodian boatpeople now detained here awaiting deportation after applications for refugee status were rejected.

Immigration authorities rejected them on the grounds that it is now safe for them to return to Cambodia, an assertion disputed by some who believe they should be allowed to stay.

However, no immigration spokesman could be contacted for comment Friday night.

Prime Minister Paul Keating next week is to announce details of Australia's commitment to the U.N. peacekeeping force in Cambodia.

The government has indicated previously it will send about 500 troops to participate in the United Nations Transitional Authority in Cambodia (UNTAC), to be headed by an Australian General John Sanderson.

Hill said the U.N. special representative from Japan had told him several weeks ago the U.N. force would be there to make the peace as much as keep it.

Foreign Minister Gareth Evans, key architect of the Cambodian peace process, had never acknowledged this, he said.

Hill said the opposition would have second thoughts if Australian troops had to go into a conflict zone to try to keep the rival parties apart.

A "realistic assessment" of the position on the ground, what the mission is and of the security situation was now required from Keating, he said.

Hill added that peacekeeping was not particularly successful when the warring parties were not ready to make peace.

"And if Australian forces are being sent prematurely into this zone, that would cause us real concern."

Hill said the Khmer Rouge may be using the peace process and the international goodwill for a settlement as a shield to make more military gains.

But, he conceded there was no chance of the Khmer Rouge backing off if the peacekeeping force did not go.

More than 15,000 troops are likely to participate in what would be the U.N.'s largest ever peacekeeping operation which is intended to disarm the warring factions and prepare the way for elections.

A contingent of 60 Australian troops is already in Cambodia, operating communications equipment for the U.N. advance mission.

Defence Minister Robert Ray told a senate estimates committee Friday that the announcement of Australia's contribution to the force had been delayed because of the slowness of other countries in comfirming their commitment.

French Polynesia

Greenpeace Flagship Intercepted at Restricted Area

BK2703004692 Hong Kong AFP in English 1918 GMT 26 Mar 92

[By Tim Cribb]

[Text] Aboard Rainbow Warrior II, March 26 (AFP)—The Greenpeace flagship was sailing about half a nautical mile off Mururoa Atoll Thursday three hours after it began its action against nuclear testing there despite repeated requests to leave the atoll's 12 mile exclusion zone.

The fast patrol boat La Tapageuse contacted captain Joan Guitart at 7:58 a.m. local (1758 GMT) and asked his intentions as the Rainbow Warrior proceeded under sail towards the pass in the coral atoll some 14 nautical miles distant.

"My intention now is to go inside the atoll," Guitart told the Lavellee.

"But if you try to stop me I will sit," he said.

Lavallee responded: "I intend to stop you."

As this exchange took place, the Lavellee was closing fast to the stern, preceeded by three inflatable boats carrying French marines. The supply tender Revi stood to starboard and a helicopter circled overhead.

Three warnings were then communicated to the Rainbow Warrior to leave the zone by a northerly heading at full speed.

Guitart said he would not do so and continued sailing towards the pass, but reiterated that if La Tapageuse wished to board his vessel, he was ready to receive a boarding party and would halt his ship.

At 8:15 a.m. (1815 GMT), Rainbow Warrior was six nautical miles from the pass.

Campaigner and action coordinator Stephanie Mills deemed the mission a success, in spite of the arrest of nine campaigners who earlier attempted to reach the atoll in outboard powered inflatable boats, chased by marines in five fast inflatables after they breached the 12 mile exclusion zone.

About 20 minutes afterwards British campaigner Tim Chauvel driving one of the inflatables radioed the Rainbow Warrior that the four single engine Nova boats had been arrested, including a dive team hoping to take marine samples from the lagoon at Mururoa to check for radioactive contamination.

One boat with three campaigners on board was unaccounted for.

They were protesting against continued nuclear testing at the French facility and had been attempting to land a party on the atoll to establish a peace base.

In Paris the Defence Ministry said the arrests were made "without violence."

The ministry did not say what action would be taken to stop the Rainbow Warrior.

Reports from Mururoa said five boats had been intercepted and those on board were being questioned by police. It did not say how many had been arrested.

Greenpeace campaigners were hoping to reach the atoll to take marine and water samples. They want to verify French claims that there has been no radioactive leakage from the atoll.

This, the fifth Greenpeace action at Mururoa since 1972, began at 03:00 a.m. (1300 GMT) after days of careful planning.

At 03:35 a.m., the four single-engined Nova inflatables and a twin-engined Avon were lowered into the water as Rainbow Warrior held a position less than a mile from the exclusion zone.

Rainbow Warrior then changed its heading and began its run to the line. At 5:23 a.m. Greenpeace entered the restricted area.

Briefing the campaigners prior to the action, Greenpeace veteran Martini Gotje, 41, of the Netherlands, had said: "Our chances to get there are actually not very high. Better phrased, they are slim.

"Some say we have no chance, but I would not be doing this if that were the case," he said.

On board the diving boat were British marine biologist Valerie Smith, 38, Rainbow Warrior first mate Pelle Petterson, 31, of Sweden, and nurse Sheena Chainey, 30, of Britain.

Smith, on leave from the University of Saint Andrews at Fife on Scotland's east coast, and Petterson had collected control samples at the weekend during a 19-hour stop at the tiny atoll of Hereheretue.

British nuclear physicist John Hassard, 35, of London's Imperial College, hopes to take those controls and samples from Mururoa back to Britain for analysis to confirm the coral and basalt atoll, subjected with nearby Fangataufa to 131 underground tests since 1975, is leaking radioactive material.

The next series of tests is due to begin in May. France maintains there is no risk of leakage, but has refused permission for independent sampling.

Remaining on board the Rainbow Warrior were campaigners Mills, 28, of New Zealand and Jean-Luc Thierry, 40, of Greenpeace France, as well as Hassard, four Soviet environment minister and scientist Nikolai Vorontsov, 58, and Polynesian nationalist leader Oscar Temaru, 53.

Wallis and Fortuna Assembly Elections Held

BK2503112292 Hong Kong AFP in English 1028 GMT 25 Mar 92

[Text] Mata-Utu, Wallis and Fortuna Islands, March 25 (AFP)—A counsellor for the small Taumu'a Lelei (Bright Future) party, Soane Mani Uhila, was elected Wednesday as the new president of the Wallis and Fortuna Islands' territorial assembly, an official said here.

The 32-year-old Uhila received 11 votes in the 20-member chamber to defeat the president of the last assembly, Clovis Logologofolau of the Rassemblement Pour la Republique (RPR), sources said.

Uhila's election followed territorial elections in the South Pacific island chain on Sunday, which returned 13 new counsellors including, for the first time, two women.

Only seven members of the former assembly, in which the RPR had held a majority, were re-elected.

New Zealand

Premier Announces Rescue Plan for Radio Network

LD2603153392 Melbourne Radio Australia in English 1900 GMT 25 Mar 92

[Text] New Zealand's Prime Minister Jim Bolger has announced a rescue plan to bail out Radio New Zealand [RNZ]. The government-owned national network is in severe financial difficulty, with a loss last year of more than 2.5 million U.S. dollars. Mr. Bolger said the government had made a capital injection into Radio New Zealand, but did not say how much. Media speculation was that it was more than 4 million dollars. Under the plan, the national radio network and Concert FM will be split from RNZ and run as a separate entity funded by a national broadcasting fee. The commercial stations are likely to be sold, probably separately. Mr. Bolger also announced major changes to the RNZ board, including a new chairman and two new board members.